NOVEMBER 10, 1980 TWO DOLLARS

Forbes

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Forbes

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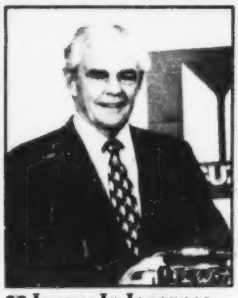
36 "Our flat-out aim is to go after Merck, Lilly—everybody and his brother."



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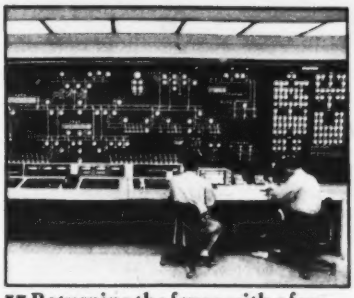

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Here's the cream of the crop of a growing number of promising small growth companies. Some of them in all likelihood will rank in the FORBES 500 before the decade is out.

The corporate baby boom

AS THE STOCK MARKET has been telling us for some time, this is the heyday of the small growth company. Last year at this time we had 310 companies in the FORBES class of '79 list of Up-And-Comers. This time, using the same criteria, we came up with 388 companies. That's better than a 25% increase. Clearly, the giant corporations don't own the world. They are being jostled constantly by the Up-And-Comers.

Our criteria for the Up-And-Comers list? For starters, we decided that any company with more than $100 million in sales had already outgrown Up-And-Comer status. Then we said that an Up-And-Comer company ought to be able to show an average return on equity for the past five years of at least 15%. That's well ahead of inflation and indicates at least the promise of self-financing capability, which could be crucial for survival in the years ahead.

To keep that profitability requirement meaningful and screen out higher than average risk, we eliminated highly leveraged companies whose debt as a percent of book value was greater than 100%.

Applying a minimum five-year average earnings growth rate of 15% seemed logical from a glance at the track records. That would mean an Up-And-Comer with $100 million in sales could, within a decade, qualify for the FORBES Annual Report on American Industry. An Up-And-Comer no longer, it would have become a major American corporation.

There have been quite a few changes in the Up-And-Comers list since last year. Thirty-one of the companies in the top 50 this year were not there last year. Three of the companies that were in the top 50 last year now have sales in excess of $100 million and have graduated.

No fewer than 51 companies on the list averaged 35% or better on their five-year average return on equity. Stop and think what that means. A company whose earnings are compounding at 35% a year will find that its book value doubles in less than three years. Long-term debt as a percent of book value was zero for no fewer than 67 of the companies below—proof positive that emerging companies do not in fact always need large chunks of debt in order to grow.

While a fair number of the Up-And-Comers listed have price/earnings multiples up in the stratosphere, as one might expect, a goodly number of star performers sell well below the Dow Jones industrial multiple of 8. Up-And-Comers come from all walks of life. One would expect the list to be full of high-technology, natural resource and health care companies, and it is. But there are nearly as many in more mundane fields such as railroad roller bearings (Brenco), personal care products (Minnetonka), rubber footwear (Kaysam) and brickmaking (Merry Cos.). There is something for everyone on the list. While it would be unreasonable to expect most of these companies to sustain such growth rates through the Eighties, they have the kind of head start now that it usually takes to make the big leagues.—*Steve Kichen*

Up-And-Comers class of '80

Almost 400 small companies with promising track records in growth and profitability over the past five years.

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Mylan Labs pharmaceutical products	139.2%	24.2%	124%	$24.4	$1.45	5.9%	$4.14	94%	7¾	$1.00	7.7
Key Pharmaceuticals ethical drugs	124.6	21.0	66	13.6	1.59	11.7	1.05	4	25	0.22	113.6
Adage computer products	80.1	24.7	32	10.3	0.61	5.9	3.12	55	33½	0.77	43.5
Semicon electronics	73.1	34.6	106	23.2	1.21	5.2	2.40	69	14	0.83	16.8
Quality Care health care service	69.7	5.7	37	27.4	0.51	1.9	2.29	77	6⅝	0.13	50.9

*Latest fiscal year.
Source: Standard & Poor's.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
WD-40 lubricants	64.6%	47.0%	30%	$35.2	$5.50	15.6%	$4.74	0%	35	$2.23	15.6
Lin Broadcasting broadcasting	63.5	55.9	26	58.0	13.47	23.2	9.25	88	61½	5.17	11.8
Quotron Systems financial information services	63.2	37.3	88	47.4	6.61	13.9	5.84	67	48½	2.18	22.2
Mark IV Industries building products	59.2	10.7	88	24.9	0.66	2.7	3.74	60	3	0.40	7.5
Marine Petroleum Trust oil & gas royalties	58.2	290.9	43	5.4	5.12	94.8	0.88	0	36	2.56	14.0
Sage Energy oil & gas exploration	54.6	28.7	49	33.5	6.04	18.1	3.42	82	35¼	0.98	35.9
Marvin Josephson Assoc talent agency	53.4	22.2	107	38.1	3.62	9.5	6.32	30	12½	1.40	8.9
Standard Microsystems electronics	52.1	15.7	59	14.9	2.31	15.5	2.54	8	13	0.40	32.5
Dranetz Engineering Labs electronics	52.0	37.5	144	11.9	1.66	14.0	3.84	4	28½	1.44	19.7
Kratos precision instruments	51.6	34.7	38	41.8	2.56	6.1	3.75	58	21¼	1.30	16.3
Guaranty National insurance	50.5	31.4	57	41.8	7.39	17.7	8.34	0	18¼	2.62	6.9
Staff Builders temporary personnel	50.2	46.7	122	55.2	1.86	3.4	1.82	2	17⅛	0.85	20.1
Plenum Publishing publishing	49.5	42.4	31	23.4	3.25	13.9	4.13	3	14½	1.75	8.2
SafeCard Services credit-card loss services	48.6	30.9	97	12.5	1.96	15.7	6.83	0	33¾	2.11	15.9
Powell Industries electrical equipment	45.9	16.8	53	40.1	1.74	4.3	1.49	16	6¾	0.25	27.0
Alico agriculture	44.5	32.6	64	17.2	5.35	31.1	7.67	16	33	2.50	13.2
PBA freight forwarding	44.5	26.5	43	87.1	1.64	1.9	4.57	0	19½	1.21	16.1
Campbell Red Lake† gold mining	43.4	54.6	36	70.6	27.32	39.0	4.78	0	87	2.61	33.3
Rollins Burdick Hunter insurance broker	43.4	31.5	16	67.7	9.79	14.5	7.21	3	28	2.27	12.3
Aztec Manufacturing oilfield products	42.9	33.7	41	22.3	3.46	15.5	4.09	12	28¾	1.38	20.8
United Keno Hill Mines silver & lead mining	42.9	56.9	65	53.2	20.73	38.9	14.07	0	50⅛	8.00	6.2
Shopsmith power tools	42.8	25.3	54	30.1	1.45	4.8	3.32	29	8¾	0.84	10.4
Comprehensive Care health care services	42.5	40.3	43	39.0	2.63	6.7	2.33	87	24¾	0.94	26.3
Interface Mechanisms price scanning systems	41.5	25.6	73	10.2	0.86	8.5	1.95	0	17¼	0.50	34.5
Bolar Pharmaceutical ethical drugs	41.4	36.4	54	8.8	1.66	18.8	2.94	0	34½	1.07	32.2
Tucker Drilling oil & gas drilling	41.2	29.9	38	18.1	1.56	8.6	4.52	25	23¼	1.35	17.2
Alabama Tenn Nat Gas natural gas pipeline	39.7	38.1	28	69.9	4.89	7.0	12.52	11	39¼	4.77	8.2
Great Northern Iron Ore Prop royalty income from mines	39.3	43.1	26	10.5	5.83	55.5	8.38	0	31¾	3.61	8.7
Day Mines silver, gold, lead, zinc mines	39.2	64.8	176	27.1	9.92	36.6	6.77	0	42⅞	4.39	9.7
CACI technical consulting	38.3	32.6	47	34.7	1.35	3.9	4.02	5	21	1.31	16.0
Chuck Barris Productions TV production	38.1	38.6	153	38.5	6.32	16.4	2.59	1	3⅞	1.00	3.8
Analogic computer products	38.0	32.3	84	48.6	4.53	9.3	2.51	34	30½	0.81	37.6
Sensormatic Electronics electronics	37.9	20.0	37	38.9	6.03	15.5	5.01	91	32½	1.00	32.5
Shared Medical Systems hospital management services	37.8	26.8	26	82.8	10.76	13.0	3.69	18	25¼	0.99	25.5

*Latest fiscal year. †Figures are in Canadian dollars.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Kennington, Ltd apparel	37.3%	33.0%	35%	$94.7	$14.70	15.5%	$8.51	0%	9½	$2.81	3.3
Kulicke & Soffa Industries precision instruments & tools	37.3	41.9	149	36.3	6.07	16.7	5.54	16	23½	2.32	10.1
Redcor Corp electronics	37.3	33.9	86	24.5	2.61	10.6	2.80	3	16	0.95	16.8
National Environmental Control solid waste management	36.8	8.2	21	8.5	0.11	1.3	0.61	42	4⅛	0.05	82.4
Schaak Electronics electronics	36.7	16.0	29	45.6	1.46	3.2	5.25	33	12¼	0.84	14.5
Kroy Industries plastic molds & products	36.3	42.3	55	19.0	4.07	21.4	3.36	0	58	1.42	40.8
Automated Marketing Systems marketing services	36.0	21.1	23	25.9	1.90	7.4	8.93	9	8½	1.88	4.5
US Surgical health care products	35.9	18.2	43	60.9	5.14	8.4	9.76	68	47½	1.78	26.6
Chem-Nuclear Systems treatment of nuclear waste	35.4	37.5	71	46.4	4.50	9.7	5.42	10	38½	2.03	18.9
Amer Income Life Ins insurance	35.2	26.9	48	75.1	11.33	15.1	6.76	0	14⅞	1.82	8.1
Auto-trol Technology computer graphics	35.2	35.6	85	33.5	3.44	10.3	4.44	24	57	1.58	36.0
CPT computer equipment	35.0	19.3	37	58.9	6.11	10.4	7.06	89	33¼	1.36	24.4
Jhirmack Enterprises personal products	34.9	15.7	20	21.6	2.65	12.3	5.91	33	8⅞	0.93	9.5
Automated Medical Labs health care services	34.7	19.0	92	12.6	0.66	5.3	1.47	45	7⅞	0.28	28.1
Impell service to nuclear industry	34.7	31.0	32	34.2	4.61	13.5	7.14	2	40¾	2.21	18.4
AT Cross writing instruments	34.5	28.2	24	95.1	14.63	15.4	12.87	0	41⅜	3.63	11.3
Dynatech health care products	34.2	25.3	26	38.0	3.04	8.0	5.18	38	28¾	1.31	21.9
Petroleum Equipment Tools oilfield tool & equipment rental	34.0	29.9	59	58.1	8.13	14.0	7.89	16	39¾	2.36	16.8
Sykes Datatronics computer products	33.9	21.2	99	12.3	1.49	12.1	5.53	7	45¼	1.17	38.6
Intermedics health care products	33.8	43.8	72	77.7	7.90	10.2	2.72	55	26¼	1.19	22.0
Pinehurst reinsurance	33.7	15.5	106	42.3	1.93	4.6	4.32	19	7	0.67	10.4
Atlantic Oil jewelry casting, oil & gas	33.6	20.4	52	9.4	0.64	6.8	2.06	82	18¼	0.42	43.4
Cafeterias cafeterias	33.3	25.2	28	91.3	8.02	8.8	7.07	20	26	1.78	14.6
Prime Motor Inns motor inns, refreshments	33.3	33.5	124	36.0	4.37	12.2	3.55	83	15⅞	1.19	13.3
T-Bar computer products	33.3	15.3	31	18.6	1.55	8.4	5.69	38	19½	0.87	22.4
Microdyne electronics	32.9	30.0	79	13.2	2.22	16.8	4.93	8	28½	1.48	19.2
Magnetic Controls telecommunications equipment	32.8	22.1	44	40.0	2.96	7.4	6.91	34	25¼	1.53	16.5
Save-Way Industries personal care products	32.7	35.0	59	41.8	4.63	11.1	3.31	46	13⅜	1.16	11.5
Pic 'n' Save retail	32.6	29.5	31	85.3	10.26	12.0	8.10	4	37	2.39	15.4
International Controls electronics	32.3	32.9	26	89.3	4.17	4.7	4.53	100	17½	1.49	11.7
Sealed Air packaging	32.1	24.9	23	70.4	4.83	6.9	8.83	5	26⅞	2.20	12.2
Aydin electronics	32.0	23.9	33	64.2	4.06	6.3	6.91	12	35¼	1.65	21.3
Natl Computer Systems computer equipment	31.9	20.8	28	32.8	3.70	11.3	6.30	59	29	1.31	22.1
Spectrum Control electronic pollution control	31.9	27.5	21	9.7	0.82	8.4	1.78	54	14½	0.49	29.5

*Latest fiscal year.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Pacesetter residential improvement prods	31.8%	18.5%	29%	$42.6	$3.81	8.9%	$5.51	1%	9¼	$1.02	9.0
Lear Petroleum oil & gas	31.6	13.0	67	78.3	5.01	6.4	8.64	68	28¾	1.12	25.6
Cyclotron nuclear equipment	31.4	19.5	34	8.1	0.96	11.9	3.49	33	19¼	0.68	28.3
Callahan Mining silver mining	31.3	47.4	57	63.5	19.45	30.6	7.11	5	37¾	3.37	11.2
Crestmont Oil & Gas oil, gas & coal	31.2	39.4	33	9.1	2.58	28.2	2.89	7	25	1.14	21.9
Preway fireplaces and space heaters	31.0	29.2	36	57.5	6.62	11.5	10.28	50	21¼	3.00	7.0
JB's Big Boy Family restaurants	30.9	13.4	15	34.2	0.88	2.6	3.21	76	2	0.43	4.6
Gray Communications broadcasting	30.5	26.7	29	23.8	1.75	7.4	18.39	14	54½	4.91	11.0
Ambassador Group insurance	30.2	28.3	49	32.1	5.18	16.2	5.65	5	14¾	1.60	9.2
Mary Kay Cosmetics cosmetics	30.2	39.7	27	91.4	9.63	10.5	4.58	12	31⅜	1.82	17.2
Silver Dollar Mining silver, antimony, copper mining	30.2	33.8	71	4.2	1.77	42.3	3.05	0	15⅝	1.03	15.1
Floating Point Systems computer products	30.0	19.6	113	29.6	2.01	6.8	5.37	20	28¾	1.05	27.3
Merry Cos brick manufacturing	30.0	14.9	57	25.2	4.04	16.1	11.15	55	11	1.66	6.6
Reliable Investors insurance	29.7	22.7	28	32.2	4.35	13.5	12.13	27	10¼	2.75	3.7
North Atlantic Industries electronics	29.6	16.7	52	14.0	0.74	5.3	3.12	54	6¾	0.52	12.9
Health-Mor vacuum cleaners	29.5	19.5	27	29.1	3.25	11.2	7.94	1	7⅜	1.55	4.7
Grey Advertising advertising	29.4	24.1	42	88.7	6.43	7.2	44.78	2	59	10.79	5.4
Statesman Group insurance	29.1	22.7	28	76.8	4.32	5.6	5.59	36	6¼	1.27	4.9
Drexler Technology supplies for semicond inds	28.9	23.2	109	16.8	1.30	7.7	3.84	0	25¼	0.89	28.3
Brenco Inc RR equipment	28.7	27.9	23	74.7	13.98	18.7	5.49	0	23¼	1.53	15.1
Eldon Industries soldering irons	28.7	16.4	18	47.2	2.27	4.8	9.50	32	7	1.56	4.4
Frost & Sullivan publishing	28.6	40.7	73	5.5	0.57	10.4	0.86	0	3½	0.35	10.0
Investment Corp America bank merchandise distribution	28.5	29.4	22	27.7	2.27	8.2	7.62	31	9¼	2.24	4.1
Central National Financial insurance	28.4	27.0	88	25.8	2.29	8.9	9.47	0	11¼	2.56	4.3
Computer Products electronics	28.4	16.5	39	14.0	1.47	10.5	3.75	7	15⅛	0.62	24.3
Nicolet Instrument precision instruments	28.3	19.4	25	56.2	4.23	7.5	5.31	29	27¼	1.03	26.4
Minnetonka personal care products	28.1	28.3	121	25.1	1.52	6.0	3.64	5	30½	1.03	29.6
Penril precision instruments	28.1	26.0	32	22.7	1.45	6.4	4.93	53	12⅛	1.28	9.4
Dreyfus finance	27.9	34.4	36	34.2	5.84	17.1	14.54	0	42⅞	5.00	8.4
FlightSafety International training equipment	27.9	24.4	27	43.8	9.27	21.2	4.71	33	35½	1.15	30.8
O'Sullivan footwear supplies	27.7	18.8	18	58.3	3.59	6.2	16.98	0	22	3.20	6.8
Fluorocarbon nonpetroleum-based plastics	27.6	24.7	39	62.6	3.83	6.1	6.67	52	22¾	1.65	13.7
Autodynamics training equipment	27.4	25.9	38	4.8	0.38	7.9	3.21	8	10¼	0.83	12.3
Dataram computer equipment	27.4	26.4	121	22.1	2.92	13.2	4.74	12	10⅜	1.25	8.2

*Latest fiscal year.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Exeter Oil oil	27.3%	55.8%	15%	$2.2	$0.80	36.2%	$1.54	0%	20⅞	$0.86	24.2
Southern Bancorp SC bank	26.7	23.9	30	49.0	5.70	11.6	8.80	25	10¾	2.10	5.1
United Fire & Casualty insurance	26.7	20.3	28	49.8	4.27	8.6	18.06	1	27¼	3.66	7.4
Avantek electronics	26.6	22.7	45	39.8	4.26	10.7	6.93	0	47¼	1.57	30.0
Brennand-Paige Industries wire & cable	26.6	30.5	25	52.6	4.17	7.9	8.91	46	14	2.72	5.1
Summit Energy oil & gas exp development	26.6	25.9	115	3.5	1.70	48.7	4.60	0	25	1.19	21.0
Veeco Instruments precision instruments	26.6	25.4	56	82.6	9.12	11.0	6.38	19	43¼	1.62	26.6
HCC Industries hermetic seals	26.5	31.0	44	16.3	1.44	8.9	3.10	17	15⅞	0.96	16.5
Pacific Scientific aerospace	26.5	27.6	55	42.7	5.16	12.1	5.69	29	22⅞	1.57	14.5
MGF Oil oil & gas exploration & prod	26.2	7.7	15	47.9	1.50	3.1	9.69	54	25⅛	0.75	33.4
MTS Systems high performance testing sys	26.2	20.2	32	55.8	4.49	8.0	14.01	64	33	2.83	11.6
California Microwave telecommunications	26.1	11.5	21	38.1	1.26	3.3	5.38	62	16¾	0.62	27.0
Penn Engineering & Mfg fasteners	26.0	23.7	35	26.9	5.04	18.7	12.59	0	36⅝	2.98	12.2
Solon Automated Services apartment house coin-op laundry	25.8	17.8	17	66.4	5.34	8.0	10.51	75	7⅛	1.87	3.8
Transport Life Insurance insurance	25.6	26.3	34	84.8	7.38	8.7	10.79	27	16⅞	2.84	5.9
Conner Homes mobile homes	25.5	13.7	53	43.4	3.80	8.8	8.38	33	11¼	1.15	9.7
Data Card plastic card processing equip	25.5	19.4	33	66.3	6.23	9.4	6.48	11	22⅞	1.26	18.1
Comshare computer services	25.3	25.2	32	78.2	4.16	5.3	4.37	85	20	1.10	18.1
General Semiconductor electronics	25.3	22.3	27	11.5	1.25	10.9	3.58	33	19⅝	0.80	24.5
Norstan precision gears	25.3	26.7	39	17.5	1.25	7.1	3.78	51	23½	1.01	23.2
Base Ten Systems electronics	25.2	18.7	125	8.1	0.49	6.1	6.37	8	24½	1.19	20.5
National Gas & Oil natural gas	25.2	21.7	24	33.5	2.98	8.9	15.92	2	27¾	3.45	8.0
Children's World daycare centers	24.9	25.9	55	11.4	0.69	6.0	1.39	46	6	0.36	16.6
Lawson Products fasteners	24.9	19.6	15	77.5	7.40	9.6	11.35	0	26¼	2.23	11.7
Vertipile textiles	24.9	30.1	116	21.9	1.80	8.2	4.32	31	4¾	1.30	3.6
RLI insurance	24.8	26.6	29	21.9	2.69	12.3	7.66	0	14	2.04	6.8
Tenney Engineering precision instruments	24.8	22.1	64	10.7	0.59	5.5	2.31	60	6¾	0.51	13.2
General Datacomm Industries computer equipment	24.7	18.5	80	41.4	3.24	7.8	5.95	42	28½	1.10	25.9
Olsten temporary personnel	24.7	19.7	47	76.3	2.62	3.4	6.55	2	15⅛	1.29	11.7
Rule Industries marine & hardware products	24.7	26.8	65	9.9	0.83	8.4	1.12	80	4½	0.30	15.0
CIC Financial insurance	24.6	26.8	52	34.2	2.94	8.6	12.35	5	14½	3.31	4.3
Radiation Systems antennas	24.6	20.3	39	7.7	0.84	11.0	5.22	68	18½	1.06	17.4
Time Sharing Resources computer services	24.6	15.2	23	5.1	0.42	8.2	3.89	6	8	0.59	13.5
Voyager Group insurance	24.6	24.6	38	75.7	4.34	5.7	6.82	47	8⅞	1.68	5.2

*Latest fiscal year.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Oregon Portland Cement cement	24.5%	16.8%	26%	$52.6	$8.05	15.3%	$40.62	71%	65½	$6.83	9.5
Electrospace Systems electronics	24.4	34.0	41	33.6	2.08	6.2	2.62	0	23	0.89	25.8
Gross Telecasting broadcasting	24.4	22.9	21	9.9	2.72	27.4	16.21	0	28¼	3.71	7.6
Western Mines Ltd mining base metals, oil & gas	24.4	40.0	118	43.1	12.08	28.0	6.23	0	19	2.49	7.6
Electronics Corp/America electronics	24.3	20.9	32	36.6	3.66	10.0	16.06	76	25¾	3.35	7.6
Altair control systems	24.2	14.5	16	47.3	1.28	2.7	6.43	25	4	0.93	4.3
Cascade hydraulically actuated equip	24.2	22.5	52	90.9	7.74	8.5	44.11	29	42½	9.92	4.2
Manufacturers Bank bank	24.2	22.5	33	70.2	9.60	13.7	11.59	38	17¼	2.61	6.6
Alpha Industries electronics	24.1	23.5	51	21.8	1.87	8.6	4.17	24	28½	0.98	29.0
Paul Mueller stainless steel equipment	24.1	26.1	26	56.3	7.12	12.6	27.48	0	30	7.16	4.1
Evans-Aristocrat Industries measuring tapes	23.6	20.8	24	22.3	2.94	13.2	7.61	0	14	1.58	8.8
Kallestad Labs health care products	23.5	24.5	52	11.2	1.33	11.9	2.03	21	10⅝	0.51	20.8
Zero enclosures for elec components	23.5	22.6	21	65.5	4.74	7.2	9.22	58	24⅞	2.08	11.9
Chattem personal care products	23.4	16.4	20	72.0	3.15	4.4	7.93	78	9	1.30	6.9
Wiser Oil oil & gas	23.4	26.5	15	40.1	15.05	37.5	23.09	0	80	6.13	13.0

*Latest fiscal year.

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Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Acapulco y Los Arcos Rest restaurants	23.3%	21.6%	17%	$13.5	$0.95	7.0%	$2.45	26%	9½	$0.53	17.9
Dynamics Research precision instruments	23.3	12.4	17	23.6	0.84	3.6	6.71	0	9⅜	0.83	11.7
Kane Furniture retail	23.2	25.4	40	31.0	2.92	9.4	9.86	22	8¼	2.50	3.3
Newport Electronics electronics	23.2	15.1	44	11.4	0.88	7.7	3.64	8	6⅜	0.55	11.5
John H Harland printing	23.1	21.0	18	93.7	9.01	9.6	11.51	0	39½	2.42	16.3
Hi-Shear Industries fasteners	23.1	27.5	31	79.6	10.53	13.2	10.22	10	23¼	2.81	8.2
Newcor industrial machinery	23.1	24.2	15	51.1	2.10	4.1	13.76	34	26⅞	3.33	8.0
Quaker Chemical specialty chemicals	23.1	19.5	18	92.1	7.84	8.5	11.10	0	18¼	2.16	8.4
Southwestern Energy natural gas utility	23.1	22.8	19	37.7	8.26	21.9	7.64	35	40½	1.74	23.2
Tennant industrial floor maint equip	23.1	22.0	18	97.8	8.82	9.0	15.46	0	34½	3.40	10.1
Lawter Chemicals specialty chemicals	23.0	24.2	17	68.2	11.15	16.4	4.29	1	12¾	1.04	12.2
Lindberg heat treating of metals	23.0	20.8	19	64.6	5.74	8.9	7.06	29	14½	1.47	9.8
Spectra-Physics lasers	23.0	21.4	39	96.0	7.74	8.1	10.03	46	55⅝	2.15	25.8
Adams-Russell electronics	22.8	23.6	43	28.4	1.91	6.7	5.60	88	26¾	1.32	20.2
Carolina Casualty insurance	22.8	34.7	38	31.6	1.89	6.0	7.37	8	8⅝	2.56	3.3
International R&D evaluates safety of drugs & chem	22.8	10.8	16	14.0	0.89	6.4	2.69	80	13¾	0.29	47.4
Quadrex nuclear engineering services	22.8	31.5	40	23.1	2.23	9.6	3.33	12	16	1.05	15.2
Terminal Data microfilm systems	22.8	14.5	37	14.2	0.95	6.7	4.77	91	11½	0.69	16.6
Communications Industries electronics	22.7	24.1	18	36.0	3.58	10.0	6.38	4	37½	1.54	24.3
Great American Industries rubber products	22.7	29.6	25	96.9	4.46	4.6	12.52	79	15½	3.70	4.1
Electro-Nucleonics health care products	22.6	23.6	101	30.1	1.27	4.2	2.25	90	16½	0.53	31.1
Jackson National Life insurance	22.6	25.2	28	50.0	3.16	6.3	9.95	0	18⅞	2.51	7.5
MacDermid specialty chemicals	22.6	20.0	25	56.8	5.30	9.3	12.94	0	26½	2.59	10.2
Micro Mask photomasks & photoplates	22.6	21.6	135	18.8	1.68	8.9	8.10	26	22½	1.75	12.8
Apogee Enterprises auto glass	22.5	24.5	28	83.7	3.46	4.1	4.78	77	14½	1.17	12.3
Amer Technical Industries artificial plants	22.5	10.6	102	48.4	2.20	4.5	10.16	45	12¼	1.08	11.3
Stewart Information Services insurance	22.5	13.7	26	71.0	6.59	9.3	31.22	27	30¼	4.27	7.0
Unimed ethical drugs	22.3	24.2	43	1.9	0.47	25.3	2.89	0	31½	0.70	45.0
Data-Design Labs engineering services	22.2	19.7	27	66.2	2.55	3.9	6.86	51	19	1.35	14.0
Friedman Industries metalworking	22.2	22.4	29	88.7	4.15	4.7	8.08	17	9	1.81	4.9
Peerless Chain auto parts	22.2	20.2	21	37.5	4.87	13.0	12.64	0	12½	2.55	4.9
Navco insurance	22.1	18.3	15	20.3	1.65	8.1	9.62	17	9¾	1.76	5.5
Comserv computer services	22.0	27.4	47	6.5	0.52	8.0	2.48	38	17½	0.68	25.7
Voplex plastics	22.0	7.4	107	47.2	1.63	3.5	11.32	36	10⅞	0.84	12.9

*Latest fiscal year.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Country Miss apparel	21.9%	26.2%	47%	$35.2	$2.07	5.9%	$11.89	15%	14	$3.12	4.4
King Radio electronics	21.9	18.9	58	98.9	9.73	9.8	15.41	10	25¾	2.91	8.8
Natl Securities & Research mutual funds	21.9	28.2	21	8.5	1.30	15.4	4.65	0	10⅜	1.31	7.9
Materials Research specialized metals & ceramics	21.8	19.1	70	43.2	2.68	6.2	8.66	22	39½	1.65	23.9
Regal-Beloit tools	21.8	21.2	16	38.2	2.96	7.8	7.99	53	12⅞	1.69	7.6
Tri-American insurance	21.8	15.7	31	18.2	1.09	6.0	6.51	64	7	1.02	6.8
CRS Group architecture & engineering	21.7	21.4	19	65.8	4.61	7.0	14.75	5	22	3.15	6.9
Knogo electronics	21.7	14.6	22	16.0	2.95	18.4	5.13	1	23	0.75	30.6
Pioneer Standard Electronics electronics	21.7	19.6	24	87.5	3.95	4.5	7.54	37	17¼	1.48	11.6
Research precison instruments	21.7	20.0	29	17.6	1.25	7.1	9.34	0	26	1.87	13.9
Beard Oil oil and gas	21.6	36.0	154	13.4	2.12	15.8	2.89	86	26	1.04	25.0
Nuclear Data electronics	21.6	14.8	111	33.7	2.08	6.2	10.20	12	16⅜	1.51	10.8
Intertherm heating & cooling systems	21.5	12.5	99	73.4	2.33	3.2	5.85	35	4⅞	0.73	6.6
Cullinane computer software packages	21.4	33.0	47	20.0	2.40	12.0	5.94	0	63	1.96	32.1
Andersen Group electronics	21.3	18.2	28	21.3	0.89	4.2	7.48	79	14¼	1.36	10.4
Astrosystems computer equipment	21.2	18.8	16	6.4	0.89	14.0	6.17	0	13¼	1.16	11.4
JLG Industries mobile aerial lifts	21.2	20.4	24	60.4	3.85	6.4	6.52	62	19¼	1.33	14.4
Columbia General safety & welding products	21.0	19.1	27	97.4	2.42	2.5	13.38	98	14½	2.56	5.6
Rockaway packaging equipment	21.0	21.7	19	32.5	2.85	8.8	11.02	26	15⅛	2.39	6.3
Kaysam Corp of America footwear	20.9	20.4	36	14.1	0.86	6.1	5.74	41	4½	1.17	3.8
United Guaranty insurance	20.8	16.5	37	43.6	15.05	34.5	18.66	5	27⅛	3.08	8.8
United Bancorp of Arizona bank	20.7	22.4	36	59.0	6.76	11.5	19.87	57	23½	4.46	5.2
Barry Wright data center equipment	20.7	24.2	37	98.9	7.68	7.8	5.20	17	21¾	1.26	17.2
Puget Sound National Bank bank	20.7	18.2	15	65.5	7.64	11.7	24.42	18	22	4.44	4.9
Bowne & Co printing	20.6	25.2	28	78.9	6.84	8.7	9.41	1	24⅝	2.37	10.3
Hunt Mfg art & office supplies	20.6	19.7	19	51.5	3.16	6.1	12.89	21	29½	2.54	11.6
Jensen Industries home & boat fixtures	20.6	7.2	54	15.6	1.36	8.7	7.69	4	4¼	0.55	7.7
Sigma-Aldrich specialty chemicals	20.6	18.7	17	86.7	11.24	13.0	14.94	1	54¼	2.79	19.4
Ohio-Sealy Mattress mattresses & box springs	20.5	17.3	20	49.0	4.33	8.8	8.78	8	10	1.52	6.5
Page Airways airplane sales & services	20.5	20.7	30	93.1	3.95	4.2	20.21	0	20¾	4.18	4.9
House of Ronnie apparel	20.4	22.5	29	62.7	4.00	6.4	7.78	6	9⅜	1.75	5.3
Atlantic American insurance	20.3	20.7	48	34.9	3.05	8.7	7.78	12	12⅜	1.61	7.6
Packaging Systems packaging materials & systems	20.3	15.9	28	26.8	1.27	4.7	9.68	51	8¼	1.54	5.3
Amer Guaranty Financial insurance	20.2	17.7	32	35.6	4.42	12.4	7.33	67	12⅛	1.30	9.3

*Latest fiscal year.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Heinicke Instruments laboratory apparatus	20.2%	22.0%	29%	$18.8	$1.97	10.5%	$3.69	27%	15⅛	$0.81	18.9
New Penn Motor Express trucking	20.2	19.0	24	37.3	3.61	9.7	18.88	13	13¾	3.59	3.8
Vulcan footwear parts	20.2	21.9	132	37.5	2.78	7.4	8.28	18	8¼	1.81	4.5
Preferred Risk Life insurance	20.1	17.2	15	16.4	3.63	22.1	16.76	0	19¼	2.88	6.6
Thompson Medical proprietary drugs	20.1	48.1	47	50.2	4.67	9.3	4.99	0	22½	2.40	9.3
Ennis Business Forms business forms	20.0	20.2	35	78.2	4.85	6.2	12.57	23	18⅛	2.54	7.1
Three D Department leased depts in retail strs	19.9	16.3	54	25.4	1.40	5.5	6.55	1	5⅛	1.07	4.7
Vernitron health care products	19.9	19.2	22	91.9	4.86	5.3	7.40	63	14⅜	1.42	10.1
Daniel Woodhead electrical equipment	19.9	16.8	17	42.2	3.88	9.2	6.54	7	13¾	1.10	12.5
Acme Electric electronics	19.8	17.3	24	50.0	2.83	5.7	5.77	18	9¼	1.00	9.2
AGM Industries auto equipment	19.8	11.9	45	33.9	1.36	4.0	20.12	36	14	2.40	5.8
Monarch Machine Tool industrial tools	19.8	26.8	24	97.2	9.11	9.4	12.44	0	27	3.33	8.1
American Welding & Mfg prec parts aerospace & pwr gen	19.7	36.7	31	95.4	5.23	5.5	18.59	0	52½	6.83	7.6
Frigitronics eyeglass lenses	19.7	17.4	23	79.8	3.24	4.1	6.21	36	9¾	1.08	9.0
Altamil auto parts	19.6	11.8	24	88.2	4.32	4.9	16.49	26	12¾	1.95	6.5
Hamilton Digital Control computer parts	19.6	12.6	47	8.5	0.36	4.2	2.14	69	3⅞	0.27	14.3
New Mexico/Ariz Land Co land & resources development	19.6	23.2	53	6.0	1.07	17.8	4.62	41	32¼	1.07	30.1
Telesciences electronics	19.6	5.6	21	32.7	3.90	11.9	6.41	1	14⅞	0.36	41.3
Brooks & Perkins materials handling equipment	19.5	22.6	16	66.2	2.98	4.5	10.67	38	23¼	2.41	9.6
Met-Pro pollution control equipment	19.5	18.3	28	14.6	1.13	7.7	4.91	35	11⅛	0.90	12.3
Gelman Sciences precision instruments	19.4	13.7	24	34.0	1.83	5.4	5.55	70	16⅝	0.76	21.8
Moore Products precision instruments	19.4	18.1	19	48.3	5.28	10.9	15.05	0	31½	2.73	11.5
New England Nuclear specialty chemicals	19.4	16.7	23	81.9	9.18	11.2	9.09	7	32½	1.52	21.3
Lindal Cedar Homes building	19.3	14.7	112	14.9	0.53	3.6	5.24	64	3¼	0.77	4.2
Scope Industries recycling food waste	19.3	13.6	18	19.5	3.29	16.9	53.05	2	85½	7.19	11.8
Application Engineering water cooling equipment	19.2	13.9	34	45.9	2.28	5.0	8.12	34	8	1.13	7.0
Excepticon residential care centers	19.2	22.8	33	17.3	0.49	2.8	3.33	100	6	0.76	7.8
Flexsteel Industries furniture	19.2	11.9	16	89.9	3.52	3.9	15.00	25	11¼	1.79	6.2
REFAC Technology Development intl technology transfer	19.0	12.3	15	11.2	1.62	14.4	3.49	13	20¾	0.43	48.2
Air Wisconsin airline	18.9	23.3	43	19.8	2.32	11.7	4.90	64	17⅛	1.14	15.0
Detrex Chemical Industries specialty chemicals	18.9	18.0	31	75.6	4.09	5.4	30.13	4	28½	5.41	5.2
Sierra Research electronics	18.9	19.2	21	39.4	1.53	3.9	9.78	54	28½	1.88	15.1
Walbro auto parts	18.9	11.9	17	40.8	1.44	3.5	12.14	18	7¼	1.44	5.0
Lehigh Press printing	18.8	19.2	45	77.3	3.14	4.1	22.49	41	22⅞	4.32	5.2

*Latest fiscal year.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Trion electronic air cleaners	18.8%	17.9%	20%	$8.6	$0.83	9.6%	$8.17	16%	8⅜	$1.46	5.7
Aero-Flow Dynamics maritime supplies	18.7	18.0	24	77.1	2.51	3.3	25.34	9	34¼	4.55	7.5
WR Berkley insurance	18.7	15.9	30	88.6	6.12	6.9	11.52	59	13¾	1.83	7.5
Cobe Laboratories health care products	18.7	13.1	18	78.0	4.64	5.9	18.45	38	34¼	2.41	14.2
Metallurgical Industries metal powders	18.7	17.6	39	17.0	1.42	8.4	6.98	0	12¼	1.23	9.9
Vishay Intertechnology electronics	18.7	19.9	27	37.1	3.25	8.8	6.43	44	16⅞	1.28	13.1
SGL Industries electrical equipment	18.6	16.4	19	51.3	2.51	4.9	11.54	8	12¼	1.89	6.4
Vitramon electronics	18.6	18.1	33	19.7	1.54	7.8	7.11	0	13½	1.29	10.4
Analysts International computer services	18.5	14.8	17	19.9	0.35	1.8	2.70	9	8¼	0.40	20.6
Finnigan precision instruments	18.5	11.7	41	39.1	2.08	5.3	6.47	10	25	0.76	32.8
Tidwell Industries mobile homes	18.5	12.0	119	62.2	1.85	3.0	4.65	61	9⅛	0.56	16.2
MSI Data inventory recording equipment	18.4	13.9	89	45.4	1.66	3.7	7.35	3	14¾	1.02	14.4
American Indemnity Financial insurance	18.3	13.2	18	79.5	4.16	5.2	24.96	7	18⅛	3.30	5.4
Andersen 2000 pollution control equipment	18.3	50.0	63	3.0	0.23	7.8	0.98	2	15¼	0.49	31.1
Osmonics chemical processing systems	18.3	19.9	23	4.1	0.44	10.8	1.91	19	10⅜	0.38	27.2
Kerr-Addison Mines† gold mining	18.2	31.8	45	54.9	32.45	59.2	12.50	0	16⅞	3.97	4.2
Barden ball bearings	18.1	20.7	52	53.6	6.33	11.8	22.55	14	37	4.66	7.9
Colonial Life & Accident insurance	18.1	17.1	28	88.6	13.50	15.2	16.36	0	14½	2.79	5.1
Esquire publishing, lighting	18.1	19.2	70	99.7	7.48	7.5	17.48	54	16⅛	3.35	4.8
Anthem Electronics electronics	18.0	42.5	149	34.5	2.48	7.2	3.51	23	20¼	1.49	13.5
Optical Radiation electronics	18.0	15.8	119	15.2	1.35	8.9	5.87	21	13½	0.93	14.5
RH Medical Service health care services	18.0	21.2	53	71.0	2.84	4.0	11.04	91	23¾	2.34	10.1
Wavetek precision instruments	18.0	15.8	32	29.6	1.96	6.6	8.22	20	25¾	1.30	19.8
Bristol plumbing supplies	17.9	6.4	19	76.9	2.43	3.2	9.81	50	5½	0.63	8.7
Golden Enterprises snack foods, fasteners	17.9	16.0	17	57.4	2.82	4.9	7.75	4	14¾	1.24	11.8
Datametrics computer printers	17.8	15.3	24	5.0	0.38	7.6	1.57	43	6⅞	0.24	28.6
G&K Services linen & uniform rentals	17.8	18.4	18	35.6	1.82	5.1	9.37	34	10¾	1.72	6.2
Logicon computer-controlled automation	17.8	16.7	17	48.9	1.96	4.0	13.09	0	25⅝	2.18	11.7
Moran Energy oil & gas explor & devel	17.8	10.7	16	39.6	3.93	9.9	23.84	75	50¼	2.56	19.6
Mosinee Paper paper & paper products	17.8	13.9	15	78.6	5.51	7.0	8.32	57	8½	1.16	7.3
New Idria metal products, rubber	17.8	4.2	55	34.6	0.59	1.7	1.66	60	1⅞	0.07	26.7
Patagonia bank & finance	17.8	15.4	153	58.4	6.05	10.4	13.86	82	16½	2.14	7.7
Scurry-Rainbow Oil† oil & gas, mining	17.8	25.1	45	44.0	13.26	30.1	27.04	35	88⅛	6.80	13.0
Systems Engineering & Mfg electroplating systems, filters	17.8	21.9	36	16.3	1.05	6.4	6.68	29	16	1.46	10.9

*Latest fiscal year. †Figures are in Canadian dollars.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Dependable Insurance Gr insurance	17.7%	28.3%	51%	$22.0	$3.18	14.4%	$6.42	0%	12	$1.82	6.5
Flow General health care products	17.7	15.2	40	77.1	3.78	4.9	6.57	24	38⅞	1.00	38.8
Grantree furniture	17.7	7.9	18	83.1	2.44	2.9	5.58	58	4⅝	0.44	10.5
Oakwood Homes mobile homes	17.7	16.9	32	42.9	3.06	7.1	14.12	9	19⅞	2.38	8.3
Scientific Computers computer services	17.7	29.9	67	13.1	1.44	11.0	6.52	33	25¾	1.95	13.2
TAB Products office equipment	17.7	21.4	28	83.0	4.15	5.0	16.07	51	34¼	3.44	9.9
Acme United shears & scissors	17.6	18.1	22	29.5	2.12	7.2	5.37	56	16½	0.97	17.0
Commonwealth Theatre movie theaters	17.6	17.6	21	63.7	2.60	4.1	10.50	86	14¼	1.85	7.7
Cordura publishing	17.6	27.5	76	23.8	1.35	5.7	1.49	1	10¼	0.41	25.0
Security Bancorp bank	17.6	15.8	15	71.4	8.73	12.2	22.65	23	15¼	3.57	4.2
Teleflex auto parts	17.6	19.7	54	66.8	3.87	5.8	14.21	59	40⅞	2.80	14.5
Cetron Electronics electronics	17.5	18.7	23	5.3	0.70	13.2	2.73	0	3⅜	0.51	6.6
Funtime amusement park	17.5	16.7	17	10.9	1.11	10.2	4.61	6	6½	0.77	8.4
Realist surveying equipment	17.3	7.0	32	18.6	1.03	5.5	13.76	53	7½	0.97	7.7
Unitrode electronics	17.3	18.6	38	81.6	8.27	10.1	16.46	4	34	3.06	11.1
Athey Products street sweepers, hauling equip	17.2	28.9	46	20.9	1.69	8.1	13.10	29	17	3.78	4.4
Control Laser lasers	17.2	19.5	38	10.1	1.05	10.4	3.94	9	26½	0.77	34.4
Hibernia bank	17.2	18.7	21	88.3	9.38	10.6	19.61	37	23	3.67	6.2
Reliability electronics	17.2	28.0	36	13.6	1.06	7.8	1.18	25	8½	0.33	25.7
Schenuit Industries home & garden equipment	17.2	19.8	32	77.6	3.99	5.1	29.34	47	30½	5.82	5.2
Walbar aerospace	17.2	29.5	51	47.1	6.12	13.0	9.36	4	33¾	2.76	12.2
Allen Organ electronic organs	17.1	14.1	26	16.0	1.79	11.2	24.34	2	16	3.42	4.6
Avemco insurance	17.1	17.8	23	19.7	3.34	16.9	7.85	15	9¾	1.40	6.9
Numac Oil & Gas† oil & gas	17.1	9.7	21	18.5	6.08	32.9	6.18	31	32¼	0.60	53.8
TSI precision instruments	17.1	24.2	26	9.3	0.69	7.5	2.31	88	12¾	0.56	22.7
Kansas State Network broadcasting	17.0	22.9	34	20.5	2.23	10.9	10.59	4	29	2.43	11.9
National Data computer services	17.0	21.1	29	60.1	5.67	9.4	6.08	9	28¼	1.28	22.0
Southwest Florida Bank bank	17.0	18.1	25	69.2	8.77	12.7	9.41	58	11⅝	1.70	6.8
Tony Lama footwear	16.9	29.3	31	48.5	2.51	5.2	7.17	54	14½	2.10	6.9
Cablecom General cable tv	16.8	16.0	15	37.4	4.86	13.0	12.35	57	37¼	1.97	18.9
Electronic Modules electronics	16.8	19.0	31	14.5	1.08	7.5	5.67	56	18½	1.08	17.1
General Defense precision components	16.7	83.3	19	55.8	2.77	5.0	2.04	81	15¾	1.70	9.2
Precision Castparts precision castings	16.7	14.7	19	74.5	2.95	4.0	11.67	79	31¼	1.72	18.1
Products Research & Chemicals specialty chemicals	16.7	16.0	34	42.8	3.40	7.9	4.86	24	16⅜	0.78	20.9

*Latest fiscal year. †Figures are in Canadian dollars.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Seton leather products, chemicals	16.7%	8.4%	18%	$70.0	$2.49	3.6%	$14.51	89%	9	$1.22	7.3
Central Banking System bank	16.6	15.5	21	84.3	6.04	7.2	13.82	15	10⅛	2.14	4.7
Chemplast plastics	16.6	17.4	24	17.6	1.49	8.5	6.90	8	11¾	1.20	9.7
Hazleton Labs biological research & mfg	16.6	10.9	15	43.3	2.00	4.6	7.63	48	21⅞	0.83	26.3
Mutual Savings Life Insurance insurance	16.6	21.1	16	48.3	5.10	10.6	14.80	0	22⅝	3.13	7.2
Raven Industries apparel	16.6	16.9	25	38.4	1.83	4.8	8.30	53	7½	1.40	5.3
CSE insurance	16.5	15.6	23	53.0	3.36	6.3	20.99	0	25⅛	3.27	7.6
Petrol Industries oil & gas exploration & dev	16.5	42.9	90	2.0	0.68	33.7	1.12	0	8¼	0.48	17.1
Mark Twain Bancshrs bank	16.4	19.5	28	42.0	5.02	12.0	8.09	26	29	3.53	8.2
May Petroleum oil-gas exploration & dev	16.4	17.6	99	13.1	2.32	17.7	4.33	49	30	0.76	39.4
Frank Paxton lumber	16.4	15.0	19	75.6	3.88	5.1	38.75	3	29½	5.83	5.0
Sierracin aerospace	16.4	22.1	30	44.5	2.29	5.1	7.19	28	23½	1.59	14.7
Verit Industries beef packing	16.4	10.7	24	39.1	0.27	0.7	3.28	7	2½	0.35	7.1
Chieftain Development oilfield services	16.3	9.3	26	42.6	5.16	12.1	5.27	81	21	0.49	42.8
Electro-Catheter health care products	16.3	15.6	79	4.0	0.34	8.4	3.65	11	11½	0.57	20.1
Galaxy Carpet Mills carpeting	16.3	7.1	15	96.5	2.10	2.2	7.98	68	3⅝	0.57	6.3
Sunair Electronics electronics	16.3	18.5	16	12.6	2.33	18.6	11.60	0	16⅛	2.15	7.4
Missouri Research Labs industrial equipment	16.2	19.4	94	14.2	0.90	6.3	1.80	19	2½	0.35	7.1
Nuclear Metals metal powders	16.2	16.3	29	16.7	1.74	10.4	8.42	31	31½	1.37	22.9
Rossmoor real estate development	16.2	0.8	97	16.7	2.55	15.2	7.85	23	8	0.06	133.3
Weisfields retail jewelry	16.2	11.9	177	34.2	2.66	7.8	22.30	1	15	2.65	5.6
Computer Data Systems computer services	16.1	21.2	19	14.8	0.77	5.2	6.45	8	18½	1.37	13.5
Horizon Bancorp bank	16.1	18.4	19	90.1	10.11	11.2	18.51	45	14·	3.40	4.1
Kirby Exploration transportation	16.1	20.2	32	80.1	8.66	10.8	38.48	26	130¼	7.78	16.7
Myers Industries tire service equip & supplies	16.1	15.1	25	65.5	3.27	5.0	14.06	37	11¼	2.13	5.2
Telephone Utilities telephone company	16.1	17.9	20	54.2	9.14	16.9	11.16	59	13	2.00	6.5
Unit Drilling & Exploration oilfield services	16.1	31.8	37	31.3	5.15	16.5	5.06	0	39¼	1.61	24.3
Breeze aerospace & auto parts	16.0	17.1	149	24.4	1.62	6.6	11.73	41	13⅛	2.01	6.5
United Cities Gas natural gas utility	16.0	15.7	21	44.2	1.67	3.8	16.67	100	11½	2.62	4.3
Tandy Brands leather goods	15.9	13.1	39	47.9	2.68	5.6	14.41	22	29	1.89	15.3
TransTechnology aerospace	15.9	23.6	21	36.4	1.59	4.4	4.02	48	12	0.95	12.6
United Presidential Life Ins insurance	15.9	16.3	38	31.5	2.07	6.6	6.87	11	11	1.12	9.8
Aero Systems marketing aviation equipment	15.8	18.8	63	14.1	0.86	6.1	0.96	23	7¼	0.18	40.2
Overmyer glass molding equipment	15.8	11.4	53	42.7	2.35	5.5	12.17	58	7½	1.39	5.3

*Latest fiscal year.

Up-And-Comers class of '80

Company principal business	Return on equity 5-year average	Return on equity latest 12 months	EPS 5-year growth rate	Net sales* (mil)	Net income* (mil)	Net profit margin*	Book value per share	Debt as % of book	Recent price	EPS last 12 months	P/E ratio
Doe Spun apparel	15.7%	22.7%	38%	$23.1	$1.08	4.7%	$7.87	41%	7	$1.79	3.9
Wabash International insurance	15.7	12.3	19	29.6	1.54	5.2	4.22	0	7¼	0.52	14.0
REDM Industries electronics	15.7	18.2	37	17.6	1.25	7.1	5.50	11	8⅜	1.00	8.6
IMC Magnetics electrical equipment	15.5	16.3	24	44.2	2.19	5.0	18.97	35	16¼	3.10	5.2
Robinson Nugent electrical equipment	15.5	21.0	76	28.9	3.02	10.5	5.52	10	19½	1.16	16.8
Biospherics information services	15.4	15.0	35	4.8	0.31	6.4	1.00	57	4¾	0.15	31.6
Roper Industries pumps	15.4	21.1	23	41.1	3.24	7.9	20.17	7	24	4.26	5.6
Universal Cigar cigars	15.4	15.9	26	33.8	2.24	6.6	10.73	0	10⅜	1.71	6.0
Citizens & Southern Corp bank	15.4	17.3	19	93.4	10.30	11.0	24.39	48	20¼	4.21	4.8
Shaer Shoe shoes	15.4	17.4	32	17.6	1.42	8.1	7.57	0	7⅛	1.32	5.3
Ancorp Bankshares bank	15.3	15.2	19	74.0	7.25	9.8	28.57	16	17¼	4.35	3.9
First Connecticut Bancorp bank	15.3	17.4	18	44.8	6.33	14.1	35.42	7	26	6.17	4.2
Natl Mobile Concrete concrete	15.3	23.6	44	13.5	0.91	6.8	8.09	0	5¾	1.91	3.0
Sunshine Mining silver mining	15.3	17.6	29	23.7	8.30	35.1	2.39	74	23¼	0.42	55.3
National Old Line Insurance insurance	15.3	14.0	15	68.5	8.49	12.4	13.11	0	19	1.83	10.3
Bankers Trust of South Carolina bank	15.3	18.5	31	84.5	8.91	10.5	18.44	30	19¾	3.41	5.7
EPSCO electronics	15.2	19.5	69	13.3	0.88	6.6	5.22	31	17	1.02	16.6
Lil' Champ Food Stores convenience food stores	15.2	16.1	17	30.5	1.17	3.8	10.65	18	17	1.71	9.9
TIE/Communications telephone systems	15.2	24.5	104	34.1	1.21	3.6	2.37	17	24⅛	0.58	41.5
Crown Industries building products	15.2	14.4	36	63.4	2.15	3.4	9.66	87	7⅛	1.39	5.1
Par Systems nuclear handling equip	15.2	21.7	42	19.3	1.83	9.5	7.43	18	26½	1.61	16.4
United Asbestos† asbestos mining	15.2	16.5	35	26.6	9.27	34.9	8.06	61	5⅞	1.33	4.4
Coherent lasers	15.2	10.5	139	52.0	3.11	6.0	7.92	27	25¾	0.83	31.0
Aro air tools	15.1	13.9	19	87.3	8.90	10.2	24.03	20	19⅞	3.34	5.9
Ply-Gem Industries building materials	15.1	11.9	56	50.1	2.39	4.8	12.77	2	8	1.52	5.2
Ellis Banking bank	15.1	15.7	23	91.3	10.24	11.2	9.16	37	7½	1.44	5.2
Kampgrounds of America recreation facilities	15.0	11.8	15	15.2	1.84	12.1	12.17	5	10¼	1.44	7.1
Intercontinental Dynamics industrial training	15.0	17.7	17	18.6	1.07	5.7	6.40	30	8½	1.13	7.5

*Latest fiscal year. †Figures are in Canadian dollars.
Source: Standard & Poor's.

History will record 1980 as less than a banner year. But how about 1981? Here's what Wall Street's best minds expect next year for 542 widely followed companies.

The analysts place their bets for 1981

EVERYONE KNOWS that earnings estimates are notoriously inaccurate. Nevertheless, they do help mold the expectations of investors, professional and individual alike, and so are a potent influence on stock prices.

Every year at about this time the highly regarded Institutional Brokers Estimate System, a service of New York Stock Exchange brokers Lynch, Jones & Ryan, provides FORBES with a consensus of the earnings forecasts of over 1,000 analysts for about 550 stocks that are widely traded.

Last year we broke those estimates down into four groups of companies: "rising stars," companies where average earnings estimates are more than 25% higher than the year previous; "big stars," the 30 companies that make up the Dow Jones industrial average; "falling stars," companies that are expected to show lower earnings; and "overlooked stars," whose price/earnings ratios are very low if the analysts' predicted earnings are close.

This year we have added a fifth group, "recovering stars." These are companies that lost money in 1980 but are expected to earn a minimum of 50 cents a share next year.

As the estimates for each company are an average of the estimates of anywhere from 3 to as many as 30 analysts, we've included two columns at the end of each table showing the percent variation in earnings estimates for both 1980 and 1981—which is a measure of how widely the analysts' estimates vary. The lower the number is in each column, the smaller is the variation in the earnings estimates that analysts have made for that company.

Naturally, some of the 1981 estimates will come very close and others will miss the mark. How good were the estimates for 1980? Too optimistic in many cases, but then a good number of forecasts were undone by a recession that was much worse than originally expected. The forecast for UAL, for example, was typical of the forecasts for most of the airlines.

Last year IBES classified UAL as a rising star that was expected to earn $5.12 in 1980. The best estimates now peg the big airline holding company as losing 84 cents in 1980. On the other hand, IBES had rising star Newpark Resources in for $1.92; it is now expected to come in very close to $2. Big star American Telephone & Telegraph's previous estimate of $8.18 is now expected to be a little over $8 for 1980.

Here's a list of the analysts' earnings predictions for 542 widely traded companies. As a list of average forecasts it represents about as clear a picture of what the market in general expects as one can get. Clearly there is optimism in the air. Last year we had 71 rising stars. This year we have cited as many as 207, as companies recover from the recession. And there are only 33 falling stars this year, whereas last year there were 118.—*Steve Kichen*

Rising stars

These 207 companies are expected to show at least 25% growth in earnings per share in 1981.

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Equitable Savings & Loan Associations	18⅛	$4.41	$0.90	$3.46	284.7%	5.23	152.90%	40.90%
Arvin Industries	15	2.62	0.61	2.32	277.4	6.58	45.93	10.25
General Tire & Rubber	20	3.44	0.83	3.00	261.5	6.67	36.73	12.00
Federal National Mortgage Association	14⅝	2.68	0.95	3.16	234.1	4.66	22.70	15.56
Northwest Airlines	26⅜	3.35	0.85	2.81	229.1	9.43	89.71	34.49
Lockheed	35⅜	2.01	1.20	3.52	192.2	10.27	17.37	14.26
TRANSOHIO Financial	11¼	3.43	1.00	2.83	183.3	3.93	75.00	26.96
Franklin Electric	14½	1.25	0.55	1.44	161.4	10.09	42.64	19.13
Financial Corporation of Santa Barbara	17⅛	3.14	1.21	3.15	159.6	5.48	42.89	18.92
Financial Federation	37⅝	5.34	1.80	4.50	150.0	8.39	47.51	32.71
Republic Steel	24¼	7.49	1.61	3.88	140.7	6.19	39.93	21.61
Standard Motor Products	13¼	1.80	0.90	2.12	135.1	6.38	17.57	22.81
Northern Calif Savings & Loan Association	14⅞	3.40	1.36	3.17	133.1	4.78	46.35	15.30
Raymond International	29	2.60	0.99	2.27	129.9	12.89	19.56	18.39
First Charter Financial	17⅝	3.05	1.43	3.26	127.3	5.40	15.15	15.80
Brunswick	15⅛	2.39	0.93	2.09	125.3	7.46	23.00	22.08
Texas Air	12¼	0.97	0.90	1.97	117.9	6.28	40.53	41.45
Akzona	10¾	2.10	0.70	1.52	117.4	7.07	23.42	17.27

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of analysts' estimates fall. The lower the percentage, the greater the agreement among the analysts. A: Actual.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan

Rising stars

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Coherent	25½	$1.49	$0.86	$1.85	115.1%	13.92	18.89%	7.15%
Great Western Financial	20⅛	4.15	2.13	4.45	108.7	4.63	12.73	18.68
HF Ahmanson & Co	21⅜	5.11	2.56	5.31	107.6	4.03	19.99	14.21
Esmark	55¼	4.40	3.93	7.65	94.7	7.21	14.51	20.79
Northern Telecom Ltd	35	3.70	2.07	4.00	93.0	8.88	17.69	10.61
Singer	11⅛	1.58	0.83	1.60	92.0	6.88	34.64	10.83
General Public Utilities	5⅛	1.56	0.56	1.06	90.3	4.83	41.59	21.46
Easco	17⅜	2.21	1.52	2.88	89.3	5.99	30.80	7.17
El Paso Co	23¼	2.93	1.56	2.92	86.6	7.93	15.26	16.31
Bethlehem Steel	25⅛	6.31	2.07	3.82	84.7	6.50	26.18	25.35
Redman Industries	10⅛	1.32	0.73	1.34	83.2	7.57	24.02	23.12
Modern Merchandising	12	1.52	1.04	1.88	81.3	6.39	29.38	13.95
Cessna Aircraft	20⅜	2.47	1.29	2.32	79.8	8.67	9.36	13.78
AE Staley Manufacturing	63	1.86	4.59	8.12	77.0	7.80	8.83	16.56
Owens-Corning Fiberglas	28⅜	3.59	1.45	2.56	76.6	11.08	22.07	18.75
Sealed Power	22¾	4.35	2.25	3.96	75.9	5.84	14.40	10.88
Four-Phase Systems	31½	3.29	1.18	2.06	75.2	15.77	12.48	15.75
Imperial Corporation of America	29¾	5.24	2.95	5.11	73.2	5.75	10.45	7.07
GDV	15⅛	3.22	1.80	3.03	68.5	5.11	8.33	9.94
Magma Power	27⅜	0.57	0.97	1.62	67.2	17.16	5.97	14.28
Xtra	21½	5.10	2.31	3.87	67.2	5.46	31.70	32.75
Echlin Manufacturing	15	1.50	0.89	1.49	66.4	10.25	23.15	8.85
Ramada Inns	9¼	0.57	0.54	0.89	66.1	10.54	7.78	22.99
Pope & Talbot	22⅝	4.04	1.63	2.69	65.4	8.65	27.04	20.59
McGraw-Edison	28⅞	4.44	2.94	4.77	62.0	5.95	8.63	4.59
Coleman	17¼	2.54	1.53	2.46	61.5	7.00	8.13	4.00
Shaklee	22⅝	3.43	2.40	3.88	61.5	5.68	29.12	3.72
GAF	13	1.83	1.51	2.43	61.3	5.19	27.99	26.02
Amdahl	32¼	1.02	1.04	1.67	60.9	18.47	19.93	13.77
Flexi-Van	22⅝	3.70	2.30	3.70	60.9	6.21	22.78	12.89
LTV	13	5.23	1.90	3.04	60.2	4.36	29.69	21.61
Finnigan	25¼	1.27	1.02	1.62	59.0	15.46	7.51	7.78
RG Barry	8⅝	0.55	0.86	1.36	58.0	6.61	10.97	5.50
Crane	39	5.39	3.92	6.20	58.0	6.37	6.94	7.81
Data Terminal Systems	26¼	1.91	2.19	3.46	58.0	7.58	12.53	23.97
Purolator	31	3.85	2.70	4.23	56.8	7.20	3.21	16.08
Justin Industries	19	2.83	1.76	2.73	55.1	7.05	10.52	8.35
Standard Pacific	13½	2.62	1.52	2.36	54.9	5.71	13.78	17.74
Overhead Door	16⅛	2.60	1.38	2.12	53.6	7.72	17.34	14.41
Tiger International	23¾	3.03	2.65	4.04	52.9	6.00	17.53	13.88
Jonathan Logan	11⅞	1.11	1.69	2.59	52.8	4.44	25.30	22.13
Santa Fe International	58¾	0.78	3.12	4.73	51.8	12.58	5.11	8.80
Stop & Shop	14¼	3.70	2.58	3.92	51.7	3.45	20.79	9.75
Dataproducts	34½	0.99	2.13	3.21	50.7	10.94	14.84	12.15
Tandem Computers	63	0.59	1.04	1.57	50.6	40.48	1.70	6.80
Watkins-Johnson	34	2.32	2.20	3.31	50.5	10.39	13.56	15.05
Zapata	58⅝	2.64	4.36	6.46	48.1	9.15	8.48	11.37
Crutcher Resources	31⅞	0.72	1.40	2.07	47.9	15.16	9.45	26.44
Computervision	66⅜	1.04	1.53	2.27	47.9	30.23	9.34	3.63
McDermott	31¼	1.76	2.55	3.77	47.9	8.33	21.56	11.09
Yellow Freight Systems	17¾	1.45	1.59	2.35	47.8	7.55	9.56	18.80
Archer-Daniels-Midland	41⅝	1.63	3.20A	4.71	47.2	8.84	NM	8.33
Zayre	18	3.13	2.90	4.26	46.7	4.11	12.58	8.24
Consolidated Freightways	26⅝	5.06	3.27	4.80	46.6	5.50	14.97	14.21
American Quasar Petroleum	42½	0.25	0.65	0.95	46.2	44.47	22.43	24.69
Gifford-Hill & Co	19¾	3.45	2.07	3.02	45.8	6.53	18.92	19.39
St Joe Minerals	63⅜	4.64	5.02	7.31	45.6	8.60	4.48	12.68
Central Soya	16½	2.23	1.67A	2.42	44.9	6.72	NM	3.16
Kennecott	32¼	3.93	2.61	3.75	43.7	8.34	47.98	47.85
Valero Energy	29⅞	0.66	2.34	3.35	43.2	8.87	3.24	7.61
Compugraphic	21	3.58	1.76	2.51	42.8	8.53	10.41	12.27
Daniel Industries	50⅞	2.07	2.85	4.05	42.1	12.31	8.71	8.10
Dayco	12¼	2.32	1.23	1.75	41.9	6.86	16.88	22.31
Castle & Cooke	14⅝	1.14	1.43	2.02	41.4	7.30	10.98	24.03

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of analysts' estimates fall. The lower the percentage, the greater the agreement among the analysts. A: Actual. NM: Not meaningful.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Rising stars

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Levitz Furniture	26⅜	$4.84	$3.47	$4.90	41.0%	5.41	8.33%	8.54%
Service Merchandise	15⅝	1.54	1.66	2.34	40.9	6.51	17.64	9.84
Forest Oil	38	0.79	1.11	1.56	40.8	25.44	24.55	30.17
Champion Spark Plug	9½	1.49	1.12	1.57	40.4	6.19	14.63	9.29
US Steel	21⅞	–4.46	2.45	3.44	40.4	6.31	31.52	25.20
GCA	57½	1.25	2.48	3.48	40.3	16.40	6.80	14.27
Parker Drilling	65¼	2.76	2.97	4.16	40.0	15.51	3.49	11.18
Products Research & Chemical	16¼	0.68	0.81	1.14	40.0	14.40	3.08	4.21
Equimark	9⅛	1.60	1.77	2.47	39.8	3.70	10.77	31.12
Newpark Resources	54⅜	1.37	2.01	2.81	39.7	19.16	4.51	13.00
E-Systems	46¾	3.12	2.79	3.89	39.6	12.09	6.71	3.41
Western Union	28⅛	–0.34	2.02	2.81	39.0	10.15	1.21	13.62
Lowe's Cos	23	1.92	1.43	1.99	38.7	11.71	10.92	8.04
Mark Controls	24⅝	1.59	2.15	2.97	38.3	8.25	4.84	21.33
M/A-Com	52¼	0.99	1.39	1.92	38.2	28.24	6.20	10.35
Equitable Life Mortgage & Realty Investors	13½	1.87	1.28	1.77	37.7	7.64	8.11	16.34
Leggett & Platt	12⅜	1.70	1.54	2.12	37.7	5.91	3.11	5.94
Global Marine	53	2.10	3.23	4.44	37.5	11.83	7.33	16.26
Prime Computer	46	0.89	1.45	1.99	37.4	23.34	4.98	8.69
Kaiser Cement	29¼	4.47	3.18	4.36	37.1	6.50	9.52	22.38
Worthington Industries	21⅜	1.60	1.86	2.55	37.1	8.58	7.21	7.07
Amarex	56½	0.72	1.01	1.39	36.8	41.80	11.64	10.35
Houston Oil & Minerals	41⅛	2.07	2.39	3.27	36.7	12.80	5.32	17.47
Louisiana-Pacific	25½	3.57	2.29	3.12	36.3	8.06	14.81	17.43
Western Company of North America	45¼	1.20	2.27	3.09	35.9	14.90	2.95	5.25
Ryder System	27⅞	3.73	3.06	4.15	35.6	6.71	6.81	7.01
Grumman	27	1.89	2.63	3.56	35.5	7.48	13.76	19.18
Modular Computer Systems	28⅜	1.28	1.19	1.61	35.4	18.20	5.30	5.16
Trus Joist	21¾	1.98	1.61	2.18	35.4	9.96	8.15	3.50
BF Goodrich	22⅜	4.89	3.06	4.13	35.2	5.41	7.44	17.56
Chieftain Development Ltd	21⅛	0.35	0.62	0.83	35.1	25.20	12.39	17.32
Bow Valley Industries Ltd	19	0.49	0.61	0.83	34.5	22.69	1.40	13.93
Johnson Controls	32⅜	3.58	2.45	3.29	34.2	9.87	7.53	7.41
Baldwin United	47¾	4.46	4.87	6.53	34.1	7.28	3.80	8.04
Peabody International	36½	2.57	2.46	3.29	34.1	11.01	4.25	9.12
Deere & Co	41¼	5.12	3.75	5.02	34.1	8.16	11.60	15.04
Research-Cottrell	17¾	1.13	1.67	2.24	34.0	7.97	11.51	12.80
Management Assistance	24	2.36	1.97	2.63	33.7	8.79	13.30	13.43
Collins & Aikman	8⅞	1.32	1.10	1.46	33.6	5.98	5.21	5.13
Simmonds Precision Products	13½	1.35	1.27	1.70	33.3	7.87	20.63	18.60
Texas Oil & Gas	62⅜	2.05	2.90	3.86	33.3	14.47	2.79	6.86
Noble Affiliates	53	1.57	2.38	3.16	32.9	17.04	12.22	15.83
Nevada Power	20⅜	3.37	2.29	3.03	32.6	6.88	9.51	1.90
Cray Research	94	1.89	2.95	3.91	32.5	23.91	8.23	9.67
Murray Ohio Manufacturing	17⅛	3.43	2.78	3.68	32.3	4.85	1.70	6.47
Gearhart Industries	42¼	1.13	1.80	2.38	32.3	17.51	3.76	4.09
Fieldcrest Mills	27¼	6.56	4.43	5.85	32.2	4.70	10.21	27.59
Analogic	28¾	0.68	0.87	1.16	32.1	26.38	2.33	4.46
United States Surgical	47	1.36	1.77	2.33	32.0	20.38	2.93	6.58
House of Fabrics	6⅜	0.46	0.73	0.97	31.8	6.72	7.87	5.97
RLC	15⅞	2.28	1.86	2.45	31.7	6.52	8.15	8.53
Allen Group	19	2.44	2.39	3.15	31.5	6.03	17.95	15.26
Monsanto	56	9.04	7.20	9.46	31.5	5.85	6.77	13.93
Goodyear Tire & Rubber	16¼	2.02	2.05	2.69	31.4	6.03	11.63	12.15
JC Penney	23	3.52	3.23	4.24	31.4	5.31	10.17	10.70
Stewart & Stevenson Services	25½	3.33	2.82	3.70	31.4	6.89	4.10	4.87
Gould	23⅝	3.71	2.95	3.87	31.2	6.17	4.62	6.14
Koppers	31⅝	3.27	2.52	3.31	31.2	9.71	5.35	7.04
Galveston Houston	33½	1.41	1.89	2.47	31.1	13.74	7.92	4.78
Oak Industries	49¾	2.45	2.91	3.81	31.0	12.64	6.56	6.55
Savannah Electric & Power	9½	1.24	1.45	1.90	31.0	5.13	1.92	5.26
Humana	59¼	1.98	3.02	3.95	30.9	15.28	2.04	2.76
FW Woolworth	25½	5.07	4.36	5.70	30.8	4.41	6.97	6.92
Whirlpool	22⅞	3.06	2.05	2.68	30.8	8.29	12.34	11.24

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of analysts' estimates fall. The lower the percentage, the greater the agreement among the analysts.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Rising stars

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Freeport Minerals	65⅛	$3.06	$4.83	$6.31	30.6%	10.46	8.24%	14.78%
National Semiconductor	42½	2.58	3.04	3.97	30.6	10.81	10.34	39.08
Greyhound	14⅞	2.60	2.27	2.96	30.4	5.07	8.81	6.23
James River	20⅛	3.24	3.34	4.35	30.3	4.66	11.50	5.01
Georgia-Pacific	27⅝	3.03	2.19	2.86	30.2	9.53	5.39	9.30
Vermont American	18⅝	2.33	2.18	2.83	30.2	6.75	9.43	4.44
Bic Pen	18	1.36	1.73	2.25	30.1	8.22	4.38	4.80
Scientific-Atlanta	41⅛	0.89	1.31A	1.70	29.8	24.20	NM	4.63
Frontier Airlines	15	2.40	1.91	2.47	29.3	6.12	6.92	2.20
National Medical Enterprises	52½	2.74	3.56	4.60	29.3	11.58	3.53	7.32
Payless Cashways	13¾	1.25	1.22	1.57	29.3	8.75	10.12	8.15
Dana	23¾	5.03	3.00	3.87	29.1	6.08	10.61	11.46
Johns-Manville	29⅝	4.13	3.00	3.87	29.0	7.40	6.38	10.46
Oscar Mayer	17⅛	2.90	1.92	2.48	29.0	6.95	24.74	11.00
Polaroid	29¾	1.10	2.27	2.92	29.0	10.39	17.46	13.53
Mitchell Energy & Development	46¾	1.70	2.71	3.50	28.9	13.36	7.50	11.07
Great Lakes Chemical	46⅞	2.65	2.83	3.64	28.6	12.54	3.78	8.19
Toys R Us	33½	1.83	2.24	2.88	28.4	11.55	6.30	8.83
Transway International	25¼	5.15	4.29	5.50	28.3	4.45	1.48	7.87
Petrolite	89¼	2.64	4.09	5.23	28.0	17.01	7.22	7.07
Helmerich & Payne	83¾	2.63	3.67	4.69	27.8	18.45	3.95	5.30
Potlatch	39⅜	4.69	3.17	4.05	27.8	9.79	7.80	13.16
Ocean Drilling & Exploration	46	1.05	2.57	3.28	27.6	13.76	8.33	12.29
Anchor Hocking	18⅝	3.09	2.58	3.29	27.5	5.70	11.12	10.33
Scott & Fetzer	22¼	4.62	3.26	4.16	27.5	5.44	3.40	7.08
Millipore	30⅞	1.71	1.91	2.43	27.4	13.05	3.50	3.60
Tyler	15⅛	2.34	1.84	2.35	27.4	6.54	12.38	11.77
Sears, Roebuck	16⅝	2.54	2.21	2.81	27.3	6.00	8.57	7.91
Rowan Cos	40¾	1.33	2.46	3.12	27.2	13.28	8.94	11.66
White Consolidated Industries	27⅛	4.39	3.58	4.55	27.2	5.82	8.03	10.55
Champion International	25¼	4.42	2.85	3.62	27.1	7.04	7.53	18.85
Materials Research	40¾	1.23	1.86	2.37	27.1	16.69	5.08	6.45
Allis-Chalmers	31¾	6.23	3.93	4.98	26.9	6.35	9.32	6.87
Schlumberger	152¾	5.18	7.17	9.11	26.9	16.83	3.44	4.84
Thomas Industries	13¼	2.00	1.55	1.97	26.9	6.80	3.23	2.94
Airborne Freight	24	2.17	2.24	2.84	26.7	8.44	6.92	4.65
Anglo Co Ltd	33	2.05	2.18	2.76	26.7	12.13	3.84	3.42
Hospital Corporation of America	50	2.03	2.62	3.32	26.7	15.40	1.99	3.62
Kaufman & Broad	11¾	1.54	1.28	1.62	26.7	7.50	11.92	21.92
Varco International	39	1.17	2.02	2.56	26.7	15.03	4.64	6.38
Milton Bradley	38	4.59	4.75	6.01	26.6	6.53	7.23	6.17
Federal Mogul	20⅛	3.31	2.84	3.60	26.5	5.66	4.45	2.78
Golden West Financial	18½	2.61	2.75	3.48	26.5	5.38	3.14	5.20
Metpath	36¾	0.44	2.07	2.62	26.5	14.21	3.71	8.87
Nicolet Instrument	27¼	1.00	1.21	1.53	26.5	17.77	3.95	6.79
Southern Pacific	38⅜	6.67	4.28	5.42	26.5	7.13	13.45	16.68
Sunbeam	18⅛	3.30	2.80	3.54	26.5	5.19	10.86	5.01
Centex	42¼	2.90	2.68	3.39	26.4	12.69	9.08	16.71
Natomas	38⅜	2.56	4.14	5.23	26.4	7.94	10.86	9.80
Signal Companies	46	5.28	4.22	5.33	26.3	8.63	8.62	13.33
Wm Wrigley Jr	35¼	4.62	3.92	4.95	26.3	7.22	4 91	3.03
McDonnell Douglas	38⅜	5.06	4.26	5.38	26.2	7.13	6.89	5.76
American Natural Resources	45⅞	5.13	4.99	6.28	25.9	7.13	10.29	9.52
Reading & Bates	43	1.93	3.33	4.20	25.9	10.45	7.89	8.32
SCA Services	18¾	1.01	1.30	1.64	25.9	11.83	3.31	7.91
K mart	20⅝	2.84	2.68	3.36	25.5	6.06	6.81	6.81
Mesa Royalty Trust	41¾	–0.07	2.43	3.05	25.5	13.61	13.46	2.32
UA Columbia Cablevision	79½	1.27	1.59	2.00	25.5	39.83	2.63	6.35
Charter Medical	51¾	1.99	2.57	3.22	25.3	15.62	7.38	10.35
MacMillan	14¼	0.88	1.52	1.90	25.3	7.63	1.90	5.26
HJ Wilson	20⅜	1.97	2.18	2.72	25.2	7.43	5.82	2.37
Weyerhaeuser	35⅞	4.02	2.95	3.69	25.1	9.66	8.65	15.11

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of analysts' estimates fall. The lower the percentage, the greater the agreement among the analysts. A: Actual. NM: Not meaningful.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Big stars

For most of the 30 Dow Jones industrial stocks 1981 will be a much better year than 1980, but only slightly better than 1979.

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Allied Chemical	56¼	$6.18	$8.00	$9.43	17.8%	5.95	4.20%	5.07%
Aluminum Co of America	72¼	14.29	12.89	11.40	–11.6	6.24	7.70	13.59
American Brands	83⅛	12.00	12.99	13.92	7.1	5.99	4.75	5.15
American Can	33⅞	6.18	5.27	5.92	12.3	5.64	7.88	9.41
American Telephone & Telegraph	52⅛	8.04	8.05	8.48	5.3	6.21	1.17	3.04
Bethlehem Steel	25⅛	6.31	2.07	3.82	84.7	6.50	26.18	25.35
EI Du Pont de Nemours	45	6.42	5.04	6.16	22.4	7.30	7.63	9.42
Eastman Kodak	68	6.20	6.91	7.79	12.8	8.84	3.98	5.27
Exxon	75¼	9.74	12.51	13.12	4.9	5.75	4.63	6.03
General Electric	54⅜	6.20	6.43	6.98	8.6	7.75	1.11	3.61
General Foods	29½	5.12	5.41	5.97	10.3	5.07	2.31	2.29
General Motors	52⅛	10.04	–2.11	5.61	NA	9.41	NM	25.42
Goodyear Tire & Rubber	16¼	2.02	2.05	2.69	31.4	6.03	11.63	12.15
Inco Ltd	23¾	1.58	3.04	3.34	9.8	7.07	17.04	21.19
International Business Machines	70⅛	5.16	5.65	6.45	14.2	10.85	2.44	3.84
International Harvester	34⅝	10.32	–8.01	5.63	NA	6.15	NM	28.40
International Paper	39½	5.89	5.12	4.94	–3.5	7.99	7.59	13.05
Johns Manville	29⅝	4.13	3.00	3.87	29.0	7.40	6.38	10.46
Merck & Co	79¼	4.92	5.74	6.55	14.0	12.23	1.29	2.27
Minnesota Mining & Manufacturing	55⅞	5.59	5.76	6.47	12.3	8.81	2.18	4.33
Owens-Illinois	24⅜	4.21	3.91	4.47	14.4	5.17	9.96	11.56
Procter & Gamble	71¾	6.99	7.78A	8.61	10.7	8.33	NM	2.31
Sears, Roebuck & Co	16⅝	2.54	2.21	2.81	27.3	6.00	8.57	7.91
Standard Oil of Calif	84⅛	10.44	12.77	13.52	5.9	6.43	4.84	6.39
Texaco	36½	6.48	8.06	8.60	6.7	4.31	4.24	6.42
Union Carbide	46⅝	8.47	9.49	10.13	6.8	4.65	9.26	11.44
US Steel	21⅞	–4.46	2.45	3.44	40.4	6.31	31.52	25.20
United Technologies	53¾	5.71	6.29	7.01	11.4	7.76	0.84	3.79
Westinghouse Electric	27¼	3.85	4.52	4.77	5.6	5.63	2.33	5.50
FW Woolworth	25½	5.07	4.36	5.70	30.8	4.41	6.97	6.92
Dow Jones industrials		185.63	167.65	207.60				

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of the analysts' estimates fall. The lower the percentage, the greater the agreement among analysts. A: Actual. NA: Not applicable. NM: Not meaningful.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Falling stars

The analysts think that a recovery is at hand. Last year we had 118 falling stars—companies expected to earn less next year than this year. This year's estimates show only 33 falling stars for 1981.

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% decrease of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Kaiser Aluminum & Chemical	26⅜	$5.66	$5.77	$4.96	–14.1%	5.30	7.22%	14.98%
Texasgulf	58⅜	4.05	7.00	6.08	–13.1	9.50	11.33	16.97
Reynolds Metals	38⅛	8.16	7.83	6.89	–12.0	5.52	9.28	18.60
Aluminum Co of America	72¼	14.29	12.89	11.40	–11.6	6.24	7.70	13.59
Occidental Petroleum	32⅛	6.66	7.93	7.08	–10.7	4.41	6.81	18.59
Portec	18⅜	1.74	2.41	2.18	–9.8	8.39	4.27	8.94
Alcan Aluminium	36½	5.02	5.89	5.38	–8.7	6.87	6.41	7.02
Amsted Industries	45⅛	5.88	6.92	6.32	–8.6	7.06	4.11	13.25
Bankers Trust	54½	9.37	14.62	13.39	–8.4	4.04	10.09	9.05
Bucyrus-Erie	26⅞	2.75	2.36	2.18	–7.6	12.37	4.85	11.50
Cincinnati Milacron	51¼	3.70	4.02	3.76	–6.5	13.58	20.02	6.26
Engelhard Minerals	60⅜	5.32	7.32	6.92	–5.5	8.60	10.06	15.53
AMAX	47⅝	6.49	7.70	7.30	–5.1	6.55	10.43	14.15
North American Coal	45	3.84	3.98	3.78	–5.1	11.65	1.18	5.11
Ideal Basic Industries	26⅝	4.50	4.02	3.82	–4.8	7.16	8.31	23.04

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of the analysts' estimates fall. The lower the percentage, the greater the agreement among the analysts.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Falling stars

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% decrease of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Kemper	36¼	$6.82	$7.05	$6.75	–4.3%	5.41	4.94%	12.05%
Chubb	43½	7.87	7.78	7.47	–3.9	5.86	5.42	14.30
US Fidelity & Guaranty	43	8.27	8.32	8.01	–3.8	5.35	4.42	13.08
International Paper	39½	5.89	5.12	4.94	–3.5	7.99	7.59	13.05
Southern Co	12¼	1.51	1.89	1.82	–3.4	6.71	4.65	6.43
Crum & Forster	32	5.24	5.54	5.37	–3.2	6.06	6.34	13.95
Alexander Baldwin	37¼	3.89	5.94	5.78	–2.7	6.53	16.15	30.08
Newmont Mining	54⅞	7.05	7.65	7.45	–2.7	7.30	7.90	19.74
Timken	65¾	9.14	8.28	8.06	–2.7	8.12	2.87	15.48
Shell Transport	39¾	10.01	7.87	7.68	–2.3	5.29	8.54	6.55
Jos Schlitz Brewing	7⅞	–0.38	0.82	0.81	–1.4	10.02	33.70	39.50
Union Electric	11½	1.73	1.79	1.77	–1.3	6.50	5.85	5.51
Continental Corp	27⅝	5.35	5.01	4.95	–1.2	5.61	4.58	10.95
Ohio Casualty	38⅝	7.11	6.15	6.07	–1.2	6.38	7.40	17.22
Pacific Gas & Electric	21½	3.55	3.86	3.81	–1.2	5.71	3.84	3.68
St Regis Paper	34⅛	4.87	4.94	4.90	–0.8	7.07	7.31	12.62
Southern Union	41⅜	4.78	5.62	5.57	–0.8	7.27	5.44	10.50
Royal Dutch Petroleum	92⅞	31.03	23.06	23.02	–0.2	4.04	12.66	11.42

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of the analysts' estimates fall. The lower the percentage, the greater the agreement among the analysts.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Overlooked stars

If the IBES 1981 estimates are correct, these 258 stocks, all selling at price/earnings multiples less than 6.0, are on the bargain counter.

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
New England Merchants	26¾	$5.81	$7.38	$8.04	9.0%	3.31	5.96%	1.15%
PSA	26¾	5.28	6.50	8.00	23.1	3.34	25.60	12.48
Stop & Shop	14¼	3.70	2.58	3.92	51.7	3.45	20.79	9.75
Savin	12¾	4.35	3.15	3.75	19.1	3.50	8.67	10.41
First Wisconsin	23¾	5.53	5.98	6.43	7.5	3.69	0.49	0.90
Equimark	9⅛	1.60	1.77	2.47	39.8	3.70	10.77	31.12
Irving Bank	39	7.84	9.72	10.26	5.6	3.80	0.74	5.37
Colonial Penn Group	17⅞	4.45	4.50	4.65	3.4	3.84	1.53	4.51
Maryland National	17½	3.63	4.20	4.54	8.0	3.86	4.46	6.87
Sea Containers	23⅜	3.68	5.78	6.19	7.1	3.92	13.05	21.73
Michigan National	19½	4.70	4.59	4.97	8.5	3.92	4.21	6.44
TRANSOHIO Financial	11¼	3.43	1.00	2.83	183.3	3.93	75.00	26.96
First Union	17	3.50	4.05	4.27	5.4	3.98	2.32	5.03
HF Ahmanson & Co	21⅜	5.11	2.56	5.31	107.6	4.03	19.99	14.21
Royal Dutch Petroleum	92⅞	31.03	23.06	23.02	–0.2	4.04	12.66	11.42
United Virginia Bankshares	26	5.50	6.11	6.40	4.8	4.04	1.11	2.10
Bankers Trust New York	54½	9.37	14.62	13.39	–8.4	4.04	10.09	9.05
Virginia National Bankshares	14¼	3.13	3.37	3.55	5.5	4.05	6.70	9.24
Zayre	18	3.13	2.90	4.26	46.7	4.11	12.58	8.24
Chase Manhattan	42⅛	8.30	9.77	10.25	4.9	4.11	4.15	5.40
Wells Fargo & Co	25⅜	5.75	5.45	6.09	11.8	4.19	6.58	6.65
Philadelphia National	32⅝	7.77	7.36	7.75	5.3	4.19	0.66	3.07
Manufacturers Hanover	31½	6.42	6.95	7.41	6.7	4.21	2.39	3.19
Bank of Virginia	13¾	3.15	2.79	3.20	14.8	4.22	6.41	7.00
First National Boston	36⅛	6.90	7.80	8.03	3.0	4.28	2.08	3.11
Pentair	17¼	4.19	3.93	4.03	2.5	4.28	11.15	15.05
Texaco	36½	6.48	8.06	8.60	6.7	4.31	4.24	6.42
LTV	13	5.23	1.90	3.04	60.2	4.36	29.69	21.61
Citicorp	20¾	4.15	4.19	4.70	12.2	4.36	4.89	7.35
Security Pacific	29⅝	5.97	6.27	6.75	7.6	4.37	1.70	2.48
Chemical New York	41⅜	7.97	8.99	9.42	4.8	4.38	4.29	5.37
National Detroit	30¾	6.44	6.71	6.89	2.6	4.39	6.30	2.34

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of the analysts' estimates fall. The lower the percentage, the greater the agreement among analysts. NA: Not applicable. NM: Not meaningful.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Overlooked stars

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
FW Woolworth	25½	$5.07	$4.36	$5.70	30.8%	4.41	6.97%	6.92%
Occidental Petroleum	32⅛	6.66	7.93	7.08	–10.7	4.41	6.81	18.59
Cluett, Peabody	9½	1.76	1.79	2.15	20.3	4.42	9.24	16.28
NCNB	13⅜	2.46	2.83	3.01	6.2	4.44	3.35	6.42
Jonathan Logan	11⅞	1.07	1.69	2.59	52.8	4.44	25.30	22.13
Transway International	25¼	5.15	4.29	5.50	28.3	4.45	1.48	7.87
Cone Mills	41	7.54	8.69	9.12	4.9	4.46	2.76	13.17
Loews	86¼	17.65	16.78	18.75	11.7	4.55	14.97	23.13
Western Bancorporation	30¼	5.68	6.05	6.55	8.1	4.56	2.70	5.00
Eastern Air Lines	8	2.10	–0.81	1.75	NA	4.57	NM	37.53
Ponderosa Systems	11½	2.94	2.06	2.51	21.9	4.58	43.85	16.98
Colonial Life & Accident	14½	2.67	2.84	3.16	11.4	4.58	4.01	5.22
Atlanta Gas Light	14⅞	2.61	2.93	3.22	9.7	4.59	6.45	6.28
Ameritrust	33	6.24	6.83	7.21	5.6	4.61	2.29	3.22
Great Western Financial	20⅛	4.15	2.13	4.45	108.7	4.63	12.73	18.68
American Security	32¾	5.97	6.55	7.07	7.9	4.63	2.29	5.36
Flagship Banks	15¾	2.68	3.12	3.39	8.7	4.65	5.14	6.21
Union Carbide	46⅝	8.47	9.49	10.13	6.8	4.65	9.26	11.44
James River	20⅛	3.24	3.34	4.35	30.3	4.66	11.50	5.01
USLIFE	21⅝	3.91	4.15	4.67	12.5	4.66	4.64	3.63
Federal Natl Mortgage	14⅝	2.68	0.95	3.16	234.1	4.66	22.70	15.56
Nashua	26⅞	5.75	4.61	5.68	23.1	4.66	11.63	19.14
Pittsburgh National	44½	7.97	8.92	9.37	5.1	4.70	4.28	6.23
Fieldcrest Mills	27¼	6.56	4.43	5.85	32.2	4.70	10.21	27.59
Kerr Glass Mfg	11⅛	1.58	2.06	2.39	16.3	4.71	14.06	15.71
Overnite Transportation	25⅝	5.31	4.89	5.41	10.6	4.71	4.84	7.76
Continental Illinois	28¾	4.95	5.72	6.09	6.5	4.72	4.36	4.69
Southeast Banking	17⅜	2.93	3.32	3.64	9.4	4.74	1.75	3.94
Northwestern Natl Life	31⅝	5.50	6.08	6.65	9.4	4.76	1.38	1.51
Northern Calif S&L	14⅞	3.40	1.36	3.17	133.1	4.78	46.35	15.30
Harris Bankcorp	27	5.22	5.66	5.69	0.6	4.79	3.03	10.52
Dorsey	16	3.11	2.86	3.39	18.3	4.80	6.12	11.23
National City	37¼	6.79	7.28	7.72	6.0	4.83	1.90	5.38
General Public Utilities	5⅛	1.56	0.56	1.06	90.3	4.83	41.59	21.46
Subaru of America	15	1.74	2.56	3.10	21.0	4.84	4.33	6.84
Murray Ohio Manufacturing	17⅛	3.43	2.78	3.68	32.3	4.85	1.70	6.47
Houston Industries	26⅞	4.84	5.09	5.44	7.0	4.87	2.88	2.63
National Can	23⅜	4.55	4.63	4.79	3.4	4.88	6.95	11.03
Rainier Bancorporation	24	4.25	4.54	4.89	7.8	4.91	2.04	2.80
Resorts International	27¼	6.84	5.03	5.60	11.3	4.91	8.97	18.02
Blue Bell	29	5.36	5.50	5.95	8.2	4.92	1.82	6.23
Mellon National Corp	30¼	5.15	5.67	6.06	6.8	4.93	2.77	5.07
First Bank System	37¼	6.56	7.07	7.50	6.1	4.93	2.51	2.94
Liberty National Life Insurance	18⅜	3.19	3.30	3.70	12.4	4.96	2.49	2.66
United Services Life	16⅞	2.71	3.02	3.40	12.4	4.96	1.65	2.55
Travelers	43½	8.92	8.70	8.74	0.4	4.96	5.14	11.59
Ball Corp	28	4.75	5.11	5.58	9.2	4.97	1.30	3.62
Capital Holding	17⅝	2.96	3.23	3.54	9.6	4.98	1.30	2.81
Transamerica	19½	3.66	3.69	3.90	5.8	5.00	2.97	2.91
Walter E Heller International	20½	3.40	3.72	4.09	10.0	5.01	6.56	10.87
Trust Co of Georgia	36¼	5.64	6.86	7.23	5.4	5.01	2.33	3.48
BankAmerica	25¼	4.10	4.53	4.98	9.8	5.02	2.31	6.02
Mercantile Stores	35¾	7.25	6.21	7.07	13.8	5.02	3.50	5.76
Gibraltar Financial	10⅜	2.12	–0.01	2.04	NA	5.04	NM	21.09
Northwest Bancorporation	25¼	4.25	4.58	4.93	7.6	5.05	2.16	3.31
Allied Stores	22¾	4.35	3.81	4.54	19.2	5.06	4.54	6.64
Kidde	39¾	6.77	7.22	7.90	9.3	5.07	3.47	7.50
General Foods	29½	5.12	5.41	5.97	10.3	5.07	2.31	2.29
Greyhound	14⅞	2.60	2.27	2.96	30.4	5.07	8.81	6.23
The Liberty Corp	14⅜	2.56	2.60	2.90	11.7	5.08	4.22	4.40
First Chicago	16	2.91	2.50	3.12	24.7	5.08	8.38	10.39
GDV	15⅛	3.22	1.80	3.03	68.5	5.11	8.33	9.94
Southern California Edison	24¼	4.56	4.04	4.79	18.5	5.11	3.91	3.73
Western Casualty & Surety	40½	7.70	7.81	8.01	2.6	5.12	3.06	12.89

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of the analysts' estimates fall. The lower the percentage, the greater the agreement among analysts. NA: Not applicable. NM: Not meaningful.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Overlooked stars

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Crown Cork & Seal	27¾	$4.65	$4.96	$5.42	9.1%	5.12	3.25%	8.97%
Household Finance	18½	3.15	3.07	3.56	16.0	5.12	6.17	8.39
Savannah Electric & Power	9½	1.24	1.45	1.90	31.0	5.13	17.92	5.26
Gordon Jewelry	27	4.91	5.22	5.25	0.5	5.14	9.13	14.15
British Petroleum	39½	9.32	7.32	7.70	5.1	5.15	22.99	20.41
Beneficial	22	4.17	3.69	4.34	17.6	5.15	5.83	5.62
Owens-Illinois	24⅝	4.21	3.91	4.47	14.4	5.17	9.96	11.56
Fox-Stanley Photo Products	11½	1.72	1.86	2.20	18.3	5.17	7.58	9.75
Brown Group	34⅛	5.72	5.95	6.60	10.8	5.17	3.82	1.58
JP Morgan	45¾	7.07	8.30	8.65	4.2	5.18	3.31	3.62
Sunbeam	18⅛	3.30	2.80	3.54	26.5	5.19	10.86	5.01
GAF	13	1.83	1.51	2.43	61.3	5.19	27.99	26.02
Crocker National	37	6.01	6.28	6.76	7.6	5.20	3.52	4.48
Jefferson-Pilot	26⅛	4.43	4.61	5.12	11.1	5.20	2.72	2.71
Consolidated Edison	24¾	4.51	4.41	4.71	6.9	5.20	2.72	6.27
Gerber Products	25¾	3.45	3.94	4.75	20.6	5.21	12.05	20.16
International Multifoods	18½	2.31	3.14	3.54	12.7	5.23	6.70	7.77
Equitable Savings & Loan	18⅛	4.13	0.90	3.46	284.7	5.23	152.90	40.90
Provident Life & Accident	46½	7.52	8.16	8.97	9.9	5.24	3.38	6.13
SEAFIRST	26¼	4.35	4.70	5.00	6.3	5.25	2.24	4.22
Palm Beach	22⅛	3.71	3.67	4.28	16.7	5.25	4.53	9.32
Republic Auto Parts	7½	1.06	1.17	1.43	21.9	5.26	4.87	9.95
Progressive Corp (Ohio)	24	3.09	4.94	4.55	–7.8	5.27	11.04	24.35
Monarch Capital	20⅜	3.40	3.61	3.89	7.8	5.27	2.00	2.20
Texas American Bancshares	27¼	3.94	4.65	5.07	9.0	5.28	3.54	3.58
Seaboard Coast Line	51¾	8.88	8.18	9.96	21.7	5.28	9.05	14.37
Shell Transport & Trading	39¾	10.01	7.87	7.68	–2.3	5.29	8.54	6.55
Kaiser Aluminum & Chemical	26⅜	5.66	5.77	4.96	–14.1	5.30	7.22	14.98
JC Penney	23	3.52	3.23	4.24	31.4	5.31	10.17	10.70
Pennsylvania Power & Light	16⅞	3.32	2.86	3.18	11.0	5.31	5.33	3.96
JWT Group	27	4.51	4.54	5.08	11.8	5.34	23.43	23.20
Kroger	20½	3.13	3.42	3.89	13.8	5.34	2.17	3.66
Heck's	16½	2.29	2.60	3.00	15.4	5.34	3.95	2.59
Northeast Utilities	8½	1.22	1.35	1.57	15.8	5.34	5.62	7.98
Wachovia	18⅝	2.98	3.31	3.53	6.9	5.34	2.33	2.74
Hart Schaffner & Marx	14⅝	2.45	2.56	2.76	7.7	5.35	3.21	6.41
Supermarkets General	16⅝	2.57	2.80	3.13	12.0	5.35	2.83	4.08
US Fidelity & Guaranty	43	8.27	8.32	8.01	–3.8	5.35	4.42	13.08
So Indiana Gas & Electric	18¼	2.29	3.19	3.38	6.0	5.36	1.41	2.02
Gulf & Western	18¼	2.68	3.16	3.45	9.1	5.36	5.06	2.90
USAir	14⅜	2.24	2.60	2.70	3.9	5.37	15.71	38.80
Golden West Financial	18½	2.61	2.75	3.48	26.5	5.38	3.14	5.20
Middle South Utilities	12	2.13	2.05	2.22	8.3	5.40	3.51	5.40
Central Hudson Gas & Electric	18⅜	3.27	3.20	3.33	4.2	5.40	3.83	3.12
First Charter Financial	17⅝	3.05	1.43	3.26	127.3	5.40	15.15	15.80
Kemper	36¼	6.82	7.05	6.75	–4.3	5.41	4.94	12.05
Levitz Furniture	26⅜	4.84	3.47	4.90	41.0	5.41	8.33	8.54
Brockway Glass	16½	2.29	2.51	3.05	21.5	5.41	4.78	7.27
BF Goodrich	22⅜	4.89	3.06	4.13	35.2	5.41	7.44	17.56
Stauffer Chemical	18⅝	3.10	3.04	3.45	13.7	5.43	5.43	9.13
Gulf Oil	45	6.78	7.73	8.44	9.2	5.43	5.82	7.34
Scott & Fetzer	22¼	4.62	3.26	4.16	27.5	5.44	3.40	7.08
Borden	27	4.31	4.68	4.73	1.1	5.44	3.76	6.64
Barnett Banks of Florida	26	3.77	4.34	4.72	8.8	5.45	2.02	3.55
Xtra	21½	5.10	2.31	3.87	67.2	5.46	31.70	32.75
Financial Corp of Santa Barbara	17⅛	3.14	1.21	3.15	159.6	5.48	42.89	18.92
NLT	23⅜	3.85	4.06	4.40	8.6	5.48	2.05	3.33
Sun Banks of Florida	15¼	2.25	2.50	2.76	10.3	5.48	2.73	3.84
JP Stevens & Co	17¼	3.22	2.71	3.09	14.2	5.50	8.20	17.33
Consolidated Freightways	26⅝	5.06	3.27	4.80	46.6	5.50	14.97	14.21
Reynolds Metals	38⅛	8.16	7.83	6.89	–12.0	5.52	9.28	18.60
APS	9⅜	1.41	1.45	1.67	15.1	5.52	5.79	7.11
Berkey Photo	5⅜	0.63	0.86	1.02	18.2	5.53	17.56	17.27

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of the analysts' estimates fall. The lower the percentage, the greater the agreement among analysts.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Overlooked stars

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
International Tel & Tel	31¼	$2.65	$5.30	$5.69	7.3%	5.54	4.08%	5.78%
Gulf States Utilities	11⅛	1.74	1.98	2.01	1.4	5.54	6.00	6.50
Harcourt Brace Jovanovich	37⅛	5.46	5.83	6.56	12.5	5.55	0.99	5.14
St Paul Cos	39⅜	7.30	6.98	7.09	1.6	5.55	4.11	9.79
Lincoln National Corp	42	6.85	7.17	7.49	4.6	5.56	3.61	7.77
Public Service New Mexico	18¾	2.97	3.09	3.35	8.4	5.56	2.11	12.95
Northwest Industries	33¾	5.60	5.24	6.17	17.8	5.57	5.29	5.84
Central & South West	13⅜	2.27	2.33	2.42	3.6	5.58	3.00	4.70
Barnes Group	22¼	3.68	3.32	3.92	17.8	5.59	5.82	3.69
Boston Edison	21	3.52	3.33	3.71	11.4	5.60	6.98	5.15
US Bancorp	25	3.69	4.06	4.46	9.8	5.60	1.57	1.44
Safeway Stores	32¼	5.49	4.87	5.59	14.9	5.61	6.73	10.53
Continental	27⅝	5.35	5.01	4.95	–1.2	5.61	4.58	10.95
First Security	19⅞	3.05	3.33	3.54	6.3	5.62	6.00	8.95
Minnesota Power & Light	17¾	2.92	2.87	3.11	8.6	5.62	6.11	7.23
Westinghouse Electric	27¼	3.85	4.52	4.77	5.6	5.63	2.33	5.50
American Can	33⅞	6.18	5.27	5.92	12.3	5.64	7.88	9.41
NY State Electric & Gas	16¼	2.83	2.82	2.87	1.8	5.65	2.25	3.83
Federal Mogul	20⅛	3.31	2.84	3.60	26.5	5.66	4.45	2.78
PPG Industries	36¼	6.47	5.35	6.45	20.4	5.66	5.46	11.92
Rochester Gas & Electric	13⅝	2.14	2.32	2.38	2.5	5.66	9.37	4.37
Moore McCormack Resources	49	7.10	7.80	9.06	16.1	5.67	2.58	4.49
Shaklee	22⅝	3.43	2.40	3.88	61.5	5.68	29.12	3.72
Emhart	34½	4.30	5.51	6.02	9.4	5.68	1.97	12.06
Carolina Power & Light	18¾	3.06	3.15	3.28	3.9	5.69	3.30	2.65
ARA Services	33	5.23	5.27	5.80	10.0	5.69	3.33	5.78
Colt Industries	46⅝	7.86	7.14	8.08	13.2	5.69	11.88	9.50
Continental Group	32¾	5.27	5.22	5.66	8.4	5.70	2.75	5.03
Ashland Oil	38¾	5.00	6.50	6.89	6.0	5.70	9.75	14.04
Pennwalt	28⅜	5.01	4.34	5.07	16.7	5.70	2.85	6.60
Anchor Hocking	18⅝	3.09	2.58	3.29	27.5	5.70	11.12	10.33
Consumers Power	18⅜	3.24	2.95	3.24	10.0	5.70	6.72	3.85
Wisconsin Public Service	17	2.81	2.75	2.89	5.2	5.70	3.32	3.07
Pacific Gas & Electric	21½	3.55	3.86	3.81	–1.2	5.71	3.84	3.68
Standard Pacific	13½	2.62	1.52	2.36	54.9	5.71	13.78	17.74
Olin	19¾	2.97	3.01	3.52	16.9	5.71	9.39	9.86
American Greetings	13⅜	1.88	2.05	2.34	13.9	5.72	1.64	2.98
Florida Power & Light	27⅛	4.22	4.34	4.74	9.4	5.72	3.71	2.83
Virginia Electric & Power	10⅝	1.63	1.77	1.90	7.1	5.72	4.92	5.46
Hammermill Paper	30⅝	4.47	4.91	5.22	6.3	5.72	7.84	8.74
Amfac	34	3.64	5.28	6.09	15.3	5.73	11.39	21.07
John Blair & Co	21¾	3.27	3.42	3.78	10.4	5.73	2.49	5.20
Eaton	30⅞	5.59	4.30	5.28	22.7	5.73	7.05	8.80
Niagara Mohawk Power	12¼	2.00	2.02	2.16	6.9	5.73	5.12	6.94
Valley Natl Bank of Ariz	33½	4.75	5.30	5.84	10.2	5.74	3.35	3.50
Business Men's Assurance	35⅜	4.86	5.32	5.90	10.8	5.74	5.40	10.82
Orange & Rockland Utilities	12¾	2.00	2.16	2.28	5.8	5.75	2.01	2.53
Imperial Corp of Amer	29¾	5.24	2.95	5.11	73.2	5.75	10.45	7.07
Exxon	75¼	9.74	12.51	13.12	4.9	5.75	4.63	6.03
Florida Power	14½	2.07	2.21	2.52	13.8	5.76	5.17	6.08
Mead	26½	5.19	4.51	4.64	2.9	5.77	4.83	12.38
Foremost Corp of America	20½	2.34	2.93	3.53	20.5	5.77	3.94	1.63
Public Service of Indiana	21⅝	3.79	3.37	3.77	12.0	5.77	3.08	3.22
Internorth	33¾	4.08	5.04	5.81	15.3	5.77	3.31	7.55
Jewel Cos	32⅜	4.54	5.06	5.58	10.2	5.78	4.09	7.94
Textron	28	4.51	4.18	4.82	15.3	5.78	1.59	5.62
CFS Continental	10¼	1.52	1.51	1.75	15.9	5.79	2.77	4.52
Hyster	47⅜	10.48	6.72	8.05	19.7	5.79	15.86	14.96
Mobil	75⅛	9.46	12.81	13.10	2.3	5.80	5.77	8.37
Scott Paper	18⅛	3.52	3.02	3.09	2.6	5.82	11.55	9.25
Witco Chemical	30½	4.48	4.18	4.99	19.2	5.82	8.72	5.04
White Consolidated Industries	27⅛	4.39	3.58	4.55	27.2	5.82	8.03	10.55
Cannon Mills	27¼	4.06	3.91	4.76	21.6	5.83	9.12	5.45
Central Illinois Light	13⅞	2.38	2.09	2.40	14.7	5.83	6.31	3.29

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of the analysts' estimates fall. The lower the percentage, the greater the agreement among analysts.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Overlooked stars

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Mercantile Texas	29⅛	$3.81	$4.48	$4.94	10.3%	5.84	2.02%	3.19%
Sealed Power	22¾	4.35	2.25	3.96	75.9	5.84	14.40	10.88
Southland	22⅛	3.02	3.18	3.61	13.8	5.85	3.55	5.98
Monsanto	56	9.04	7.20	9.46	31.5	5.85	6.77	13.93
Chubb	43½	7.87	7.78	7.47	–3.9	5.86	5.42	14.30
General Tire & Rubber	20	3.44	0.83	3.43	311.6	5.87	36.73	29.87
Northern Indiana Public Service	12⅛	1.86	1.79	2.06	15.2	5.87	4.79	7.77
Burlington Industries	20¼	2.73	3.03	3.51	16.0	5.87	4.02	9.42
Scovill	18⅛	3.35	2.53	3.06	21.1	5.88	6.30	8.08
Beatrice Foods	20⅜	2.81	3.12	3.53	13.1	5.89	3.65	4.31
Lane Co	27½	4.62	4.40	4.67	6.1	5.89	8.50	8.44
Nabisco	25	3.10	3.88	4.28	10.4	5.90	1.53	2.10
Leggett & Platt	12⅜	1.70	1.54	2.12	37.7	5.91	3.11	5.94
Tucson Electric Power	14	2.17	2.24	2.37	5.8	5.92	2.72	4.20
Commonwealth Edison	19¼	2.51	3.00	3.31	10.5	5.93	2.69	2.90
Southwest Bancshares	29¾	3.91	4.63	5.14	11.2	5.93	1.86	2.77
Baltimore Gas & Elec	21⅝	3.40	3.38	3.64	7.7	5.93	3.76	1.75
Amerada Hess	38	6.07	6.27	6.42	2.4	5.94	5.10	9.72
Republic of Texas	30⅝	4.08	4.63	5.09	10.0	5.94	2.12	2.60
Evans Products	24½	4.65	3.51	4.20	19.8	5.95	13.51	13.39
McGraw-Edison	28⅞	4.44	2.94	4.77	62.0	5.95	8.63	4.59
Allied Chemical	56¼	6.18	8.00	9.43	17.8	5.95	4.20	5.07
First United Bancorporation	35	4.85	5.39	5.87	9.0	5.96	1.84	3.87
Marion	20⅝	2.79	3.21	3.44	7.0	5.96	2.33	9.15
New England Electric System	21½	3.45	3.46	3.60	4.0	5.97	1.31	2.05
Public Service Elec & Gas	18½	2.85	2.98	3.12	4.6	5.97	3.99	3.88
Aetna Life & Casualty	39	6.93	6.54	6.61	1.2	5.97	3.61	10.88
Kansas Power & Light	17⅜	2.80	2.87	2.95	2.6	5.97	2.40	4.48
Arizona Bank	18⅛	2.40	2.73	3.03	11.3	5.98	0.92	0.95
Collins & Aikman	8⅞	1.32	1.10	1.46	33.6	5.98	5.21	5.13
Arizona Public Service	17⅞	2.90	2.81	2.97	5.6	5.98	3.44	2.80
Central Illinois Public	11⅛	1.80	1.73	1.90	9.6	5.99	1.66	5.26
Easco	17⅜	2.21	1.52	2.88	89.3	5.99	30.80	7.17
American Brands	83½	12.00	12.99	13.92	7.1	5.99	4.75	5.15
Ferro	22	4.07	3.20	3.67	14.7	5.99	10.83	7.50

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of the analysts' estimates fall. The lower the percentage, the greater the agreement among analysts.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

Recovering stars

Although these 14 companies will all lose money in 1980 the analysts are predicting all will earn at least 50 cents a share in 1981. Since all these companies have negative earnings in 1980, a percent increase figure would, of course, be meaningless.

Company	Recent price	Earnings per share[1] 1979	1980 (est)	1981 (est)	% increase of 1981 over 1980	P/E based on 1981 estimates	% variation in earnings estimates[2] 1980	1981
Continental Air Lines	7½	$–0.87	$–0.25	$0.80	NA	9.38	NM	99.57%
Eastern Air Lines	8	2.10	–0.81	1.75	NA	4.57	NM	37.53
Firestone Tire & Rubber	8⅝	1.17	–1.09	1.11	NA	7.85	NM	27.26
Ford Motor	28	9.75	–10.97	3.03	NA	9.37	NM	58.17
General Motors	52⅛	10.04	–2.11	5.61	NA	9.41	NM	25.42
Gibraltar Financial, Calif	10⅜	2.12	–0.01	2.04	NA	5.03	NM	21.09
International Harvester	34⅝	10.32	–8.01	5.63	NA	6.15	NM	28.40
Outboard Marine	13½	2.00	–0.13	1.86	NA	7.27	NM	22.79
Pan American World Airways	4⅞	0.96	–1.13	0.50	NA	9.92	NM	105.45
Republic Airlines	7⅜	0.70	–0.27	1.13	NA	6.97	NM	30.53
Trans World	16¼	–0.41	–0.24	2.23	NA	7.47	NM	43.06
UAL	18½	–2.50	–0.84	1.81	NA	10.28	NM	126.84
Uniroyal	5¾	–1.41	–0.48	0.65	NA	9.01	NM	74.54
Western Air Lines	7⅜	2.31	–0.42	0.75	NA	9.47	NM	137.02

[1]For fiscal years ending June through May of the following year. [2]Percentage around the average, in which two-thirds of the analysts' estimates fall. The lower the percentage, the greater the agreement among analysts. NA: Not applicable. NM: Not meaningful.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan.

NOTE

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